

Forest, Tenn., and Nantahala National Forest, N.C., between Tellico Plains, Tenn., and Robbinsville, N.C.; to the Committee on Public Works.

By Mr. HALPERN:

H.R. 11775. A bill to amend the Internal Revenue Code of 1954 so as to exclude from gross income gain realized from the sale of his principal residence by a taxpayer who has attained the age of 60 years; to the Committee on Ways and Means.

By Mr. JONAS:

H.R. 11776. A bill to provide direct aid to States for educational purposes only; to the Committee on Education and Labor.

By Mrs. KEE:

H.R. 11777. A bill to amend Public Law 86-184, an act to provide for the striking of medals in commemoration of the 100th anniversary of the admission of West Virginia into the Union as a State; to the Committee on Banking and Currency.

By Mrs. MAY:

H.R. 11778. A bill to amend the Federal Trade Commission Act, to promote quality and price stabilization, to define and restrain certain unfair methods of distribution and to confirm, define, and equalize the rights of producers and resellers in the distribution of goods identified by distinguishing brands, names, or trademarks, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOOREHEAD of Ohio:

H.R. 11779. A bill to promote the general welfare, foreign policy, and security of the United States; to the Committee on Ways and Means.

By Mr. MORSE:

H.R. 11780. A bill to amend chapter 2 of the Internal Revenue Code of 1954 to extend for an additional year the period within which certain ministers, members of religious orders, and Christian Science practitioners may elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. OLSEN:

H.R. 11781. A bill to redesignate the Big Hole Battlefield National Monument, to revise the boundaries thereof, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PHILBIN:

H.R. 11782. A bill to amend the Civil Service Retirement Act so as to provide for increases in annuities, eliminate the option with respect to certain survivor annuities, and provide for interchange of credits between the civil service retirement system and the insurance system established by title II of the Social Security Act; to the Committee on Post Office and Civil Service.

By Mr. SCHADEBERG:

H.R. 11783. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted from \$1,200 to \$1,800 yearly without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. SISK:

H.R. 11784. A bill to amend the Civil Service Retirement Act so as to include certain overseas service with the American National Red Cross as creditable service for purposes of such act; to the Committee on Post Office and Civil Service.

By Mr. HOLLAND:

H.R. 11785. A bill to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems in metropolitan and other urban areas, and for other purposes; to the Committee on Banking and Currency.

H.R. 11786. A bill to provide annuities payable from the civil service retirement and disability fund in additional cases for certain widows and widowers by reducing the

required period of marriage from 5 years to 2 years; to the Committee on Post Office and Civil Service.

H.R. 11787. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H.J. Res. 717. Joint resolution designating January 1, 1963, as Emancipation Proclamation Day; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FINO:

H.R. 11788. A bill for the relief of Mrs. Pavica Labetic; to the Committee on the Judiciary.

By Mr. HAGAN of Georgia:

H.R. 11789. A bill for the relief of Athanasios Angelis; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 11790. A bill for the relief of Sylvia Mattiat; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

347. By the SPEAKER: Petition of Eugene M. Boyd, Jr., city clerk, Marysville, Calif., relative to opposing a Federal income tax on interest derived from State or local bonds; to the Committee on Ways and Means.

348. Also, petition of Henry Stoner, New York, N.Y., relative to the U.S. Supreme Court decision of March 26, 1962, re *Baker v. Carr*, and a grievance as to how it will probably bring about Federal plan for State legislative structure; to the Committee on the Judiciary.

SENATE

WEDNESDAY, MAY 16, 1962

The Senate met at 12 o'clock meridian, and was called to order by Hon. BENJAMIN A. SMITH II, a Senator from the State of Massachusetts.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, who revealest Thyself in the true, the honest, the pure, and the lovely, make even our wayward minds Thy audience chamber, and our fickle hearts Thy dwelling place.

In this quiet moment of noontide prayer, we pause to ask Thy guidance as we tread unknown and tangled ways. As we face the duties which throng our days, may we be large in thought, in words, in deeds. Keep us, O God, from pettiness, from self-pity, and prejudice.

Forging forward unafraid, teach us to put into action our better impulses. May we strive to touch and to know the great, common human heart.

And at last may we be counted by grateful generations, who shall inherit a kindlier earth, among the architects of the final parliament of peace and plenty in which every kindred and tongue shall find their rightful place. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 16, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. BENJAMIN A. SMITH II, a Senator from the State of Massachusetts, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. SMITH thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 15, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILL AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 15, 1962, the President had approved and signed the following act and joint resolution:

S. 1139. An act to amend the act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to the waters of the Little Missouri River in order to extend the expiration date of such act; and

S.J. Res. 185. Joint resolution to defer the proclamation of marketing quotas and acreage allotments for the 1963 crop of wheat.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Drew J. T. O'Keefe, of Pennsylvania, to be U.S. attorney for the eastern district of Pennsylvania, which was referred to the Committee on the Judiciary.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 1915) for the relief of Orsolina Cianflone Iallonardo, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 3483. An act for the relief of Mrs. Marguerite de Soepke;

H.R. 3492. An act for the relief of Sebastian Sanchez Hermosilla;

H.R. 7369. An act for the relief of Gerda Godin;

H.R. 8862. An act for the relief of Miss Eleanor Redi;

H.R. 9054. An act for the relief of Dilys Evans;

H.R. 9468. An act for the relief of Dr. Charles C. Yu;

H.R. 10195. An act to validate payments of certain special station per diem allowances and certain basic allowances for quarters made in good faith to commissioned officers of the Public Health Service;

H.R. 10502. An act for the relief of James B. Troup;

H.R. 11122. An act for the relief of Edward J. McManus; and

H.R. 11257. An act to amend section 815, article 15, of title 10, United States Code, relating to nonjudicial punishment, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 160. An act for the relief of Thomas O. Tate, Jr.; and

S. 1684. An act for the relief of Merle K. Loessin.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 3483. An act for the relief of Mrs. Marguerite de Soepke;

H.R. 3492. An act for the relief of Sebastian Sanchez Hermosilla;

H.R. 7369. An act for the relief of Gerda Godin;

H.R. 8862. An act for the relief of Miss Eleanore Redi;

H.R. 9054. An act for the relief of Dilys Evans;

H.R. 9468. An act for the relief of Dr. Charles C. Yu;

H.R. 10195. An act to validate payments of certain special station per diem allowances and certain basic allowances for quarters made in good faith to commissioned officers of the Public Health Service;

H.R. 10502. An act for the relief of James B. Troup; and

H.R. 11122. An act for the relief of Edward J. McManus; to the Committee on the Judiciary.

H.R. 11257. An act to amend section 815 (article 15) of title 10, United States Code, relating to nonjudicial punishment, and for other purposes; to the Committee on Armed Services.

LEAVE OF ABSENCE

On request of Mr. MANSFIELD, and by unanimous consent, Mr. ERVIN was excused from attendance on the sessions of the Senate for the remainder of this week because of a death in his family.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letter, which were referred as indicated:

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

A communication from the President of the United States, transmitting a draft of proposed legislation to repeal the act of May 19, 1948, and other laws, and to amend the Federal Property and Administrative Services Act of 1949, as amended, to improve the administration of transfers and conveyances of certain real property for various public uses (with accompanying papers); to the Committee on Government Operations.

REPEAL OF SECTION 25, TITLE 13, UNITED STATES CODE, RELATING TO DUTIES OF CERTAIN EMPLOYEES

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to repeal section 25 of title 13 United States Code, relating to duties of supervisors, enumerators, and other employees (with accompanying papers); to the Committee on Post Office and Civil Service.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD (for Mr. LAUSCHE):

S. 3304. A bill to provide for a study by the Secretary of the Interior of strip- and surface-mining operations in the United States and for a report to Congress of the results of such study, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MANSFIELD when he introduced the above bill, which appear under a separate heading.)

By Mr. BARTLETT (for himself and Mr. GRUENING):

S. 3305. A bill to provide for the issuance under the provisions of the Federal Aviation Act of 1958 of certificates of public convenience and necessity of indefinite duration to certain air carriers operating in the State of Alaska; to the Committee on Commerce.

(See the remarks of Mr. BARTLETT when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 3306. A bill to authorize the Secretary of the Treasury to permit the Door County Historical Society to use the Eagle Bluff Lighthouse; to the Committee on Commerce.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN:

S. 3307. A bill to amend the Bankruptcy Act with respect to the scope of wage earners' plans; to the Committee on the Judiciary.

By Mr. COOPER (for himself and Mr. MORTON):

S. 3308. A bill to amend title VIII of the National Housing Act with respect to the authority of the Federal Housing Commissioner to pay certain real property taxes and to make payments in lieu of real property taxes; to the Committee on Banking and Currency.

By Mr. COTTON:

S. 3309. A bill for the relief of Richard A. Gagne; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 3310. A bill to amend the laws with respect to Federal participation in shore protection; to the Committee on Public Works.

(See the remarks of Mr. CASE of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER:

S. 3311. A bill for the relief of Mrs. Hugh Moy King; to the Committee on the Judiciary.

By Mr. MANSFIELD (for Mr. JOHNSTON):

S. 3312. A bill to amend section 4161 of title 18 of the United States Code to provide for increasing the good time allowances to be deducted from the terms of the sentences of prisoners convicted of offenses against the United States and confined in penal or correction institutions for a definite period other than for life; to the Committee on the Judiciary.

By Mr. BIBLE (by request):

S. 3313. A bill to authorize an increase in the borrowing authority for the General Fund of the District of Columbia;

S. 3314. A bill to amend the District of Columbia Public School Food Services Act;

S. 3315. A bill to relieve owners of abutting property from certain assessments in connection with the repair of alleys and sidewalks in the District of Columbia;

S. 3316. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases," approved August 11, 1939, as amended; and

S. 3317. A bill to amend provisions of law relating to personal property coming into the custody of the Property Clerk, Metropolitan Police Department, and for other purposes; to the Committee on the District of Columbia.

STRIP MINE RECLAMATION STUDY AND REPORT

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Ohio [Mr. LAUSCHE], I introduce, for appropriate reference, a bill to provide for a study by the Secretary of the Interior of strip and surface mining operations in the United States and for a report to Congress of the results of such study. I ask unanimous consent that the bill, together with a statement prepared by the Senator from Ohio, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3304) to provide for a study by the Secretary of the Interior of strip and surface mining operations in the United States and for a report to Congress of the results of such study, and for other purposes, introduced by Mr. MANSFIELD (for Mr. LAUSCHE), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order that the extent and effect of strip and surface mining operations in the United States can be ascertained, and in order to develop information which may aid in determining what remedial action with respect to such operations can be taken by Congress

and by the several States, the Secretary of the Interior is authorized and directed to make a survey and study of strip and surface-mining operations in the United States.

(b) The Secretary of the Interior shall make the study and survey authorized in subsection (a) in full cooperation with appropriate Federal and State agencies.

Sec. 2. The survey and study authorized by the first section of this Act shall include, but not be limited to, the following matters—

(1) the nature and extent of strip and surface mining operations in the United States;

(2) the ownership of the real property involved in strip and surface mining operations;

(3) the safety of the conduct of such strip and surface mining operations;

(4) the hazards to public health and safety resulting from such operations;

(5) the effect of strip and surface mining operations on highway programs of the United States and the several States;

(6) the effect on strip and surface mining operations on the scenic features of the United States and the several States;

(7) the effect of strip and surface mining operations on the fish and wildlife and other natural resources of the United States and the several States; and

(8) the public interest in and public benefits which may result from the appropriate development and use of areas subjected to strip and surface mining operations.

Sec. 3. (a) The Secretary of the Interior shall transmit to Congress a report on the survey and study authorized by the first section of this Act. Such report shall contain all information developed as a result of such survey and study together with the recommendations of the Secretary, and shall be made as soon as practicable after the completion of the survey and study, but not later than two years after the date of enactment of this Act.

(b) The Secretary of the Interior shall transmit a copy of the report which he submits to Congress under subsection (a) of this section to the Governor of each State of the United States and the Governor of the Commonwealth of Puerto Rico.

The statement of Senator LAUSCHE, presented by Mr. MANSFIELD, is as follows:

STATEMENT BY SENATOR LAUSCHE

Strip and surface mining operations in many sections of our country, in recent years, have made possible the tapping of some of our mineral resources in quantities of great magnitude and at costs far below those of deep-shaft and other mining methods. While one might justifiably say this progress has been beneficial to our economy as a whole, nevertheless we must face the fact that it also, in a majority of instances, has destroyed all other usefulness of the land and has left abominable, grotesque scars. Plainly stating it, in many areas the land has been robbed of its resources and abandoned to the wrath of the elements. Time alone will not heal those wounds.

There are large areas in Ohio and other States where, as a result of stripping operations, public highways have suffered severe damage by reason of slippage; streams, lakes, and wells have been polluted; wildlife cover has been destroyed; and, finally, the entire areas themselves have been abandoned as unproductive and virtual wasteland. The future economy of these areas is seriously threatened.

During my administration as Governor of Ohio, after many unsuccessful attempts, there was finally enacted a strip mine reclamation law requiring strip mine operators to restore the usefulness of the land by a degree of leveling of the spoil banks and planting of them in grasses and trees. While

the law has been helpful in land restoration, I have always felt that it should have required more strict conservation measures. Faced with almost insurmountable opposition, it was the best that I could get.

While some other States have strip mining regulation laws enacted in recent years, there remain throughout the country thousands upon thousands of acres of prelaw spoil banks, which can, it is my belief, be converted to some useful purpose with a little help. Strip and surface mining operations are no longer confined to the one-limited areas. These operations are spreading daily in many of the mineral-producing States. With the cooperation of the several States and the Department of the Interior, as my bill provides, a very beneficial land use study would be made in order that the Congress could determine in what manner and in what degree it would have responsibility in helping to restore to usefulness these ever-growing numbers of acres of desolation.

ISSUANCE OF CERTAIN CERTIFICATES OF CONVENIENCE AND NECESSITY IN STATE OF ALASKA

Mr. BARTLETT. Mr. President, on behalf of the junior Senator from Alaska [Mr. GRUENING] and myself, I introduce, for appropriate reference, a bill to provide for the issuance under the provisions of the Federal Aviation Act of 1958 of certificates of public convenience and necessity of indefinite duration to certain air carriers operating in the State of Alaska.

The effect of this measure would grant eligibility for permanent certification by the Civil Aeronautics Board to two air carriers which have been operating in Alaska for a number of years, Kodiak Airways, Inc., and Western Alaska Airlines, Inc.

The language of this bill follows generally the terms of Public Law 741, 84th Congress, approved July 20, 1956, which permitted nine air carriers engaged in air transportation over local routes within Alaska, two of which also operate between points in the other States and points in Alaska, to make application for permanent certificates. The same reasons for the 1956 act and the previous Public Law 38, 84th Congress, approved May 19, 1955, extending a similar privilege to local service carriers in the other 48 continental States exist now so far as these two air carriers are concerned.

Western Alaska Airlines, Inc., was granted a temporary certificate of public convenience and necessity to engage in air transportation of persons, property, and mail in the Bristol Bay area of Alaska on January 14, 1959. Its operations go back over 20 years since 1941 when the company first transported mail in the Bristol Bay area under a star route contract. From 1945 until 1959 it operated under exemption authority and for several years operated under contract with Pacific Northern Airlines. It has a history of service in the area it now serves under temporary certificate. That service covers the area between the terminal points of Ugashik and Togiak by way of the intermediate points of Pilot Point, Egegik, King Salmon, South Naknek, Igiugig, Levelock, Ekwo, Aleknagik, Dillingham, and Clarks Point.

Kodiak Airways, Inc., has had a temporary certificate since October 7, 1960,

from the CAB for the following routes covering Kodiak and Afognak Islands:

First. Between the terminal point Kodiak, the intermediate points Shearwater, Old Harbor, Kaguyak, Lazy Bay-Alitak, and Moser Bay, and the terminal point Olga Bay;

Second. Between the terminal point Kodiak, the intermediate points Port Bailey, Terror Bay, San Juan, West Point-Village Isle, Uyak, Karluk, Larsen Bay, and Parks, and the terminal point Zachar Bay;

Third. Between the terminal point Kodiak, the intermediate points Ouzinkie, Afognak, Port Wakefield-Port Vita-Iron Creek, and Kitoi Bay, and the terminal point Port Williams.

This carrier and its predecessor, Bob Hall's Air Service, has given service in the area since 1950.

This bill, Mr. President, as did the acts of 1955 and 1956 will permit the two carriers to consider long-range plans without the necessity of entering into periodic and sometimes costly renewal proceedings. Both carriers have many years of service in the areas concerned, and the need for such services has been reaffirmed by the CAB in granting in the past exemption and temporary certificates. Although the CAB has the authority to grant permanent certificates, the fact is that only through the special laws cited above have such certificates for local carriers come into being.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3305) to provide for the issuance under the provisions of the Federal Aviation Act of 1958 of certificates of public convenience and necessity of indefinite duration to certain air carriers operating in the State of Alaska, introduced by Mr. BARTLETT (for himself and Mr. GRUENING), was received, read twice by its title, and referred to the Committee on Commerce.

ESTABLISHMENT OF A LIGHTHOUSE MUSEUM IN DOOR COUNTY, WIS.

Mr. WILEY. Mr. President; I introduce, for appropriate reference, a bill to authorize the Secretary of the Treasury to permit the Historical Society of Door County, Wis., to utilize a local, federally owned, but unutilized, Eagle Bluff Lighthouse for an historical museum.

I request unanimous consent to have the text of the bill and an explanation thereof published at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3306) to authorize the Secretary of the Treasury to permit the Door County Historical Society to use the Eagle Bluff Lighthouse, introduced by Mr. WILEY, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the

Secretary of the Treasury is authorized to permit the Door County Historical Society of Door County, Wisconsin, to use as much of the Eagle Bluff Lighthouse building in such county as is necessary for the operation of an historical museum, provided that the United States reserves the right to resume possession and control for Government purposes of this property at any time and without the consent of the Society. Notwithstanding the provisions of any other law, the Secretary of the Treasury is authorized to permit the Door County Historical Society to charge and receive a nominal admission fee to defray the cost of a salaried custodian.

The explanatory statement presented by Mr. WILEY is as follows:

EXPLANATORY STATEMENT

Commendably, the Door County Historical Society has undertaken a creative public service effort to establish a museum in the Eagle Bluff Lighthouse.

The project—in my judgment—would be of tremendous value to the county, State, and the Nation in the following ways:

1. As a museum for portraying "Early Americana"; and

2. As a tourist attraction.

The society's collections for the museum are of real significance and value; consequently, there is a need for a custodian for the museum. Unfortunately, the society cannot now charge admission fees, since the Eagle Bluff Lighthouse—although not in use—is still Federal property.

For this reason, I am introducing proposed legislation to permit the society to (a) utilize as much of the Eagle Bluff Lighthouse as necessary for an historical museum, and (b) to charge a nominal admission fee to defray the costs of a salaried custodian.

Naturally, I am urging early consideration of this legislation. Overall, I believe, the historical society's commendable efforts to transform the Eagle Bluff Lighthouse into a museum of historical significance represents: (a) a step forward in the society's efforts to preserve outstanding features of our historical progress; (b) would be a constructive use of taxpayer-owned property now standing idle; and (c) would add one more significant museum to the many outstanding natural and manmade attractions to attract visitors to Wisconsin.

AMENDMENT OF LAWS RELATING TO FEDERAL PARTICIPATION IN SHORE PROTECTION

Mr. CASE of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to amend the laws with respect to Federal participation in shore protection. The bill was drafted at my request by the Army Corps of Engineers. I ask unanimous consent that the bill remain at the desk for cosponsors until the close of business, Friday, May 18.

At this point in my remarks, I ask unanimous consent that a summary, also prepared by the Engineers, of the bill's provisions.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF BILL PERTAINING TO SHORE PROTECTION

This bill would:

1. Amend the act of August 13, 1946, as amended:

(a) By increasing from one-third to one-half the Federal participation in the cost of shore restoration and protection projects.

(b) By providing for 100 percent Federal cost participation in protection of Federal property and in projects at State, county and

other publicly owned shore parks and conservation areas which meet certain criteria set forth in the bill.

(c) By authorizing reimbursement of local interests for work done by them on authorized projects up to \$1 million.

(d) By providing small shore and beach restoration and protection project authority with a single project limit of \$400,000.

2. Modify the act of July 3, 1930, as amended, by providing for surveys entirely at Federal cost. Through application of existing laws pertaining to river and harbor surveys, specific contribution to the costs and cooperation in the survey by a State or local agency would not be required, but the consulting and coordinating requirements of the 1945 River and Harbor Act would apply.

3. Make the new participation provisions applicable to authorized projects where the Federal contribution has not been made as of the date the bill is enacted.

Mr. CASE of New Jersey. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD and will lie on the desk, as requested by the Senator from New Jersey.

The bill (S. 3310) to amend the laws with respect to Federal participation in shore protection, introduced by Mr. CASE of New Jersey, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act approved August 13, 1946, as amended by the Act approved July 28, 1956 (33 U.S.C. 426e-h), pertaining to shore protection, is hereby further amended as follows:

(a) The word "one-third" in section 1(b) is deleted and the word "one-half" is substituted therefor.

(b) The following is added after the word "located" in section 1(b): "except that the costs allocated to the restoration and protection of Federal property shall be borne fully by the Federal Government, and, further that Federal participation in the cost of a project for restoration and protection of State, county, and other publicly owned shore parks and conservation areas may be the total cost exclusive of land costs, when such areas: include a zone which excludes permanent human habitation; include but are not limited to recreational beaches; satisfy adequate criteria for conservation and development of the natural resources of the environment; extend landward a sufficient distance to include, where appropriate, protective dunes, bluffs, or other natural features which serve to protect the uplands from damage; and provide essentially full park facilities for appropriate public use, all of which shall meet with the approval of the Chief of Engineers."

(c) The following is added after the word "supplemented" in section 1(e): "or, in the case of a small project under section 3 of this Act, unless the plan therefor has been approved by the Chief of Engineers."

(d) Sections 2 and 3 are amended to read as follows:

"Sec. 2. The Secretary of the Army is hereby authorized to reimburse local interests for work done by them on authorized projects which individually do not exceed \$1,000,000 in total cost after initiation of the survey studies which form the basis for the project: *Provided*, That the work which may have been done on the projects is approved by the

Chief of Engineers as being in accordance with the authorized projects: *Provided further*, That such reimbursement shall be subject to appropriations applicable thereto or funds available therefor and shall not take precedence over other pending projects of higher priority for improvements."

"Sec. 3. The Chief of Engineers is hereby authorized to undertake construction of small shore and beach restoration and protection projects not specifically authorized by Congress, which otherwise comply with section 1 of this Act, when he finds that such work is advisable, and he is further authorized to allot from any appropriations heretofore or hereinafter made for civil works, not to exceed \$3,000,000 for any one fiscal year for the Federal share of the costs of construction of such projects: *Provided*, That not more than \$400,000 shall be allotted for this purpose for any single project and the total amount allotted shall be sufficient to complete the Federal participation in the project under this section including periodic nourishment as provided for under section 1(d) of this Act: *Provided further*, That the provisions of local cooperation specified in section 1 of this Act shall apply: *And provided further*, That the work shall be complete in itself and shall not commit the United States to any additional improvement to insure its successful operation, except for participation in periodic beach nourishment in accordance with section 1(d) of this Act, and as may result from the normal procedure applying to projects authorized after submission of survey reports."

Sec. 2. All provisions of existing law relating to surveys of rivers and harbors shall apply to surveys relating to shore protection and any expenses incident and necessary to investigation and study shall be paid from funds for General Investigations, Civil Functions, Department of the Army, and Section 2 of the River and Harbor Act approved July 3, 1930, as amended (33 U.S.C. 426), is modified to the extent inconsistent herewith.

Sec. 3. The cost-sharing provisions of this Act shall apply in determining the amounts of Federal participation in or payments toward the costs of authorized projects for which the Federal contribution has not been made prior to the date of approval of this Act, and the Chief of Engineers, through the Beach Erosion Board, is authorized and directed to recompute the amounts of Federal contribution toward the costs of such projects accordingly.

AMENDMENT AND EXTENSION OF SUGAR ACT OF 1948—AMENDMENT

Mr. TALMADGE submitted an amendment, intended to be proposed by him, to the bill (S. 3290) to amend and extend the provisions of the Sugar Act of 1948, as amended, which was referred to the Committee on Finance and ordered to be printed.

EXTENSION OF TIME FOR GRANTING NATIONAL SERVICE LIFE INSURANCE TO CERTAIN VETERANS—EXTENSION OF TIME FOR BILL TO LIE ON DESK

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the bill (S. 3289) to amend title 38, United States Code, to permit, for 1 year, the granting of national service life insurance to veterans heretofore eligible for such insurance, introduced by me, may lie on the desk until May 23, for additional cosponsors.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT AND EXTENSION OF PROVISIONS OF SUGAR ACT OF 1948—EXTENSION OF TIME FOR BILL TO LIE ON DESK

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Louisiana [Mr. ELLENDER], I ask unanimous consent that the bill (S. 3290) to amend and extend the provisions of the Sugar Act of 1948, as amended, be held at the desk until Friday, May 18, 1962, for additional cosponsors.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 16, 1962, he presented to the President of the United States the following enrolled bills:

S. 160. An act for the relief of Thomas O. Tate, Jr.; and

S. 1684. An act for the relief of Merle K. Loessin.

TWENTIETH ANNIVERSARY OF CIVIL AIR PATROL

Mr. HRUSKA. Mr. President, recently it was my pleasure to be among those who attended the 20th anniversary dinner of the Civil Air Patrol, here in Washington. My colleague, Senator CARL CURTIS, and I were guests of the Nebraska Wing, which on that occasion was represented by Col. P. J. Stavneak and Lt. Col. H. J. Katzenberger, both of Omaha, Nebr., and Cadet Maj. Michael Bagan.

In Nebraska, the Civil Air Patrol has a membership of over 500 cadets and senior members, all on a voluntary basis, working for this organization and its program. It has functioned well in many emergencies within the State, such as air rescue, floods, and other types of disaster. At the same time, it is building a solid and wholesome citizenship among the cadets who interest themselves in aviation and communication generally, as well as in the wider program involved.

The Nebraska Civil Air Patrol has had good leadership, and has made a good record. Members of the Nebraska Wing are to be very generously commended for their achievements.

A splendid and well-deserved tribute was paid to the Civil Air Patrol for its first 20 years by Gen. Frederick H. Smith, Jr., Vice Chief of Staff of the U.S. Air Force, in a speech delivered at the banquet. He lauded this organization and its members for having fashioned within two decades a firm, constructive tradition of patriotism and dedication to country and to those in distress and emergency.

He pointed to the program of the future, and especially to the new 5-year Civil Air Patrol plan for cadets, which recognizes the long-term value of their training.

Mr. President, I ask unanimous consent that the text of General Smith's speech be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY GEN. FREDERICK H. SMITH, JR., VICE CHIEF OF STAFF, U.S. AIR FORCE, CAP 20TH ANNIVERSARY CONGRESSIONAL BANQUET, STATLER HILTON HOTEL, WASHINGTON, D.C., MONDAY, MAY 7, 1962

It is a great pleasure for me to join you in celebrating this 20th anniversary of the Civil Air Patrol.

For the past 20 years the objective of the Civil Air Patrol has been to serve the public interest. That interest is represented here tonight by the distinguished ladies and gentlemen of the Congress who have joined us for this occasion.

The wing commanders and members of the Civil Air Patrol are here representing their organizations' years of public service.

By joining these representatives together in this celebration we honor all the men and women whose efforts have contributed to the success of this service.

At the beginning of World War II the Civil Air Patrol came to life in our national tradition of the minuteman. It was created as a popular response to a clear and present danger at the time; the danger of enemy submarines operating near our coasts. What began as a 30-day trial of coastal patrol by light aircraft manned by volunteer civilian pilots finally concluded 18 months later. That much time was required after Pearl Harbor to build up the Air Force and the Navy to carry out effectively the task of antisubmarine coastal patrol. During those 18 months the gallant flyers of the Civil Air Patrol answered a vital need. Many gave their lives. Many are still with the Civil Air Patrol and are with us here this evening. We acknowledge our debt to them.

The formation of the Civil Air Patrol constituted the kind of response we might have expected from a militia. Our country's political philosophy always placed great value on a militia, and during most of our history we were able to constitute militia forces from the skills possessed by the general public. But it was not until the beginning of World War II that a response of the general public could raise militia forces in aviation. It was only at that time the aviation skills, equipment, and operations were in general use by the public.

However, more than mere skill and operational resources were required to constitute a force—regular or militia. Inspired attitudes and beliefs of the participants are a dominant factor in the power of military forces. In fact it seems to me that skills, equipment, and operations are usually a direct expression of inspired attitudes and beliefs.

At the time the Civil Air Patrol was formed the aviation tradition was truly inspired. This inspiration flowed from men like Jimmy Doolittle, Charles Lindbergh, Billy Mitchell, Wiley Post, Richard Byrd, Howard Hughes, and women like Amelia Earhart and Jacqueline Cochran. Equally inspiring were the great designers and builders in aviation; men like Glenn Curtis, Donald Douglas, and Glenn Martin.

Those people had a common characteristic. They had all pursued individually and personally a quest for knowledge in the unknowns in aviation. And by this means they discovered knowledge which illuminated these unknowns. Personal courage and daring were offered as their proof of knowledge. This became part of the aviation tradition at the time of the Wright brothers' flight, but it was dramatized and recognized in the colorful years after the First World War.

When the Civil Air Patrol began its operations, searching for enemy submarines far from shore in unknown weather and with simple equipment, it was expressing this tradition of aviation in its finest sense. Their daring and courage were offered as proof that they knew how to do the job.

This same tradition inspired the military aviators of World War II. The fighter pilot, the bomber crews, the carrier pilot, and all aviators seemed to offer their mission performance as proof of their knowledge and abilities.

These attitudes and beliefs in the aviation tradition made it possible for us to develop greater skills, build and operate higher performance equipment and conduct a variety of operations that were incredible, complex, and successful. This tradition made possible advances in radar and electronics, the jet aircraft, and advanced systems for command and control.

At this point I would like to emphasize that the tradition of personal courage is not a unique quality of aviators. The soldier in battle and the sailor at sea are among many others whose traditions are based on personal courage. And those traditions are very old. The age and the unchanging nature of their traditions are reflected in ballad and verse, poetry and prose, arts and lore from origins that are lost in time.

But the aviation tradition is not old. Its origin is within the memory of living men. Perhaps this is one reason that our literature and art reflect so little of the aviation tradition.

And the nature of aviation has changed swiftly in one generation. The individual enterprise of Charles Lindbergh is not likely to be repeated in the future. Today the performance of Col. John Glenn in his orbit of the earth and Maj. Robert White and Mr. Joe Walker in the X-15 are also demonstrations of personal courage offered as proof of knowledge. But each of these men is proving the knowledge developed by great corporate teams of specialists and experts that require high expenditures of money exceeding the probable resources of any private enterprise. These aviators are part of a corporate team and subject to team discipline. They are not free to choose the margin of risk in their performance, as Lindbergh was. They must operate within the margin established by the corporate nature of the job. This corporate operation is characteristic of aviation today. And because of it and the operating expense of modern aviation, relatively few men may have the opportunity to offer their personal courage and daring for the proof of knowledge.

Does this mean that the aviation tradition is becoming outmoded? I don't think so. Col. John Glenn's magnificent performance in orbit was a vivid demonstration of a man inspired in the aviation tradition. And after Shepard, Grissom, Glenn, and the other astronauts there will be still others required to perform in this tradition for the space mission.

The inspiration of future astronauts will come from many sources, but a major one will probably be their personal experience with conventional aviation.

In this respect, the Civil Air Patrol education and youth programs provide important opportunities to inspire young people and pass on the aviation tradition.

The Civil Air Patrol education program is providing this opportunity for thousands of adults in addition to thousands of Civil Air Patrol cadets. With each passing year we see more teachers participating, more high school courses and more cadets and seniors becoming missionaries passing on their enthusiasm and inspiration to others. The efforts are showing up at the Air Force Academy—10 percent of the academy cadets are former cadet members of the Civil Air

Patrol. A recent survey showed that 25,000 former Civil Air Patrol members have enlisted in the Air Force. We are very proud of these inspired people who join the Air Force and serve so proudly.

The new 5-year plan for Civil Air Patrol cadets recognizes the long-term value of cadet training. The administrators of this program can take pride in the fact that already the cadet membership goal for 1962 has been exceeded.

The Civil Air Patrol is best known for its search and rescue work.

During the year there were a total of 719 air search and rescue missions in the inland regions of our Nation—this is in all 50 States and Puerto Rico. There were over 17,000 individual flights consisting of nearly 36,000 hours of flying time.

The Civil Air Patrol flew 65 percent of the individual flights.

It flew over 57 percent of the total hours flown. Twenty thousand six hundred and forty-one hours in the air—all voluntary, all without pay.

The U.S. Air Force reimburses these private pilots for the fuel and oil. And nothing more. Over the years these costs have averaged out at \$6 per hour.

Any way you choose to look at it, the voluntary effort of the Civil Air Patrol in search and rescue operations is a substantial one—not to mention its humanitarian aspect. Despite our computer expertise we are unable to place a dollar value on human life.

Search and rescue activities are, of course, the more glamorous of the Civil Air Patrol operations, but when the future is considered, the overall aerospace education and information program is a most vital activity, possibly the most important for the long term. Especially when we consider the problem of time and the consequence.

The Civil Air Patrol is preserving the aviation tradition, passing it on and inspiring new generations. In doing this it is contributing to the development of well informed citizens; citizens who appreciate the traditional values of our society; citizens inspired to act in the personal courage of their convictions.

All who share the aviation tradition and faith in its future will join with me in wishing every success for the programs of the Civil Air Patrol.

We wish all its men and women engaged in these programs Godspeed and good luck.

SAC: THE BIG STICK

Mr. HRUSKA. Mr. President, recently the American Broadcasting Co. presented a television program entitled "SAC: The Big Stick." This special edition of the popular "Editor's Choice" series described the Strategic Air Command and the vital role it plays in the defense of America and the free world.

Interviewed on the program was Gen. Thomas S. Power, commander in chief of the Strategic Air Command, at his headquarters near Omaha. He was the chief narrator of the program, as to the mission, equipment, and personnel of SAC.

Fendall Yerxa, editorial director of "Editor's Choice," aptly described General Power as "one of the most important men in the world. He holds one of its most critical jobs."

Mr. President, because the views and comments of General Power regarding his command are of utmost importance, I ask unanimous consent that the transcript of the program, "SAC: The Big Stick," be printed in the CONGRESSIONAL RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

SAC: THE BIG STICK

ANNOUNCER. The story of the Strategic Air Command as it has never been told. How have we prevented an atomic attack? What is the danger of accidental war? How much warning will we have?

To bring you the story of the big stick here is our editorial director, Fendall Yerxa.

Mr. YERXA. Good evening. Tonight we are going to take a close look at our most precious possession in a world which has just resumed nuclear testing, something designed to keep the world out of the catastrophe of war.

We are going to take a look at the big stick that this country carries to preserve the peace in a world which has finally progressed far enough to learn how to destroy itself.

It is a tough world and in it we have also learned that we simply cannot afford an all-out war, and that the best possible way to keep anyone from starting one is to hold a big club over his head and convince him that if he pulls the trigger he is going to get hit, so he won't dare strike. That, in brief, is the theory behind the Strategic Air Command, the Big Stick.

Now, if you did not understand what it was and how it did its job you might whistle your way in fear down the hostile alleys of the hydrogen age. But if you will listen to the boss of the big stick, this man, Gen. Thomas Power, the commander of SAC, I think you will sleep better tonight.

For General Power is one of the most important men in the world. He holds one of its most critical jobs. He has never before told his whole story to the whole Nation, and his story is worth listening to.

The best test of the effectiveness of the Strategic Air Command is the fact that it never has had to fire a shot in anger. Now it is an odd paradox that goes a little beyond classical military strategy that SAC is trained to top pitch precisely so that it will not have to use its training—so it will be just too tough to attack.

In pursuit of that posture it has had to take up its position often in practice, and a few times in earnest. But such is the nature of hostility in the world today, which is nowhere better understood than it is in Omaha, Nebr., in the world headquarters of the Strategic Air Command.

Here, scrupulously guarded by a special elite force, whose bone-handled pistols are not just for show, in a four-story underground command post dug in against missile attack is the control center of this mighty machine.

And here in an office near the underground, and within earshot of planes on the airfield close by, is the chief practitioner of the military art of deterrent retaliation, Gen. Thomas Power.

With ABC newsmen, Jack Begon, I went to SAC headquarters and we asked General Power to explain the mission and purpose of the Strategic Air Command.

General POWER. Well, I think very simply stated, SAC is charged with being prepared to conduct strategic air operations on a global basis so that in the event of sudden aggression SAC can mount simultaneous nuclear retaliatory attacks designed to destroy the war-making capacity of an aggressor to the point that he would no longer have the will nor the capability to wage war.

Now the important thing is that the Strategic Air Command has the capability to carry out that mission.

Mr. YERXA. There is no question about that in your mind?

General POWER. None whatsoever. And, what is more important, is the fact that this is well known throughout the world.

Now we think that this has acted as a very potent deterrent to all-out thermonuclear war. Whether you or anyone else agrees with that statement really does not matter. The important thing is that the record is clean. This world has not been engaged in an all-out thermonuclear war; and I might add, this is a real good way to keep it if you can.

So there is a tremendous challenge to stay out of this war, on honorable terms. And I add that, and I emphasize it.

Now I do not say you can stay out of it. But I say it is certainly a worthwhile challenge.

Now from the point of view of deterrence it should be remembered that it makes little or no difference what we think of our own military capability. But rather, what does any potential aggressor think of our capability? Because he is the one we are trying to deter, not ourselves. And there is a certain amount of difficulty in achieving this because obviously when you are strong if you act strong why you can be accused of saber rattling or warmongering, or recklessly endangering the peace of the world.

So I think this has to be understood. And there are certain risks involved in it.

But in order to deter, I repeat, we must convince any potential aggressor that we are good, or have this capability, otherwise we have failed in the deterrent role.

Mr. BEGON. General, your communications system is perhaps the most vital part of your organization. Will you explain how it operates and how you would go about launching your alert operation?

General POWER. Well, I am sure you have heard of the famous red telephone.

Mr. BEGON. Yes, I see it right there.

General POWER. All of our bases throughout the world are connected together into this underground. When we pick up this phone, in a matter of seconds we are in touch with every one of our bases. We send coded messages out that are prepositioned; immediately klaxons start blowing, crews start running into airplanes, start the engines and taxi out. This whole thing is done in a matter of minutes, and they are off the ground.

If I could get you to visualize a group of firemen sliding down a pole and that fire engine going out the door, this is about the way the crews come out of the alert facilities and get going.

Now, when they take off, this does not mean they are necessarily going to bomb. They are all ready to go. But they merely take off to insure their survival.

Now, they take off under positive control. I have authority to launch them in this mode, but mind you, I do not have authority to expend any nuclear weapons. No military man has authority to start any wars. This authority is held entirely, and properly so, by civilian authorities—the President of the United States.

We take it off to insure its survival.

Now, the aircraft proceed to a certain point a certain length of time. They do not come within enemy radar scopes, so there is no threatening gesture involved. Nobody other than ourselves would even know they have been launched.

If the signal turns out to be spurious, or if the President decides he does not want to go to war, the circumstances do not warrant it, or any other set of conditions, then these aircraft fall-safe. They return back to their base. No harm has been done. At best, we have had a very fine training exercise.

But from the point of view of deterrence we must convince an aggressor that if he plans a surprise attack with missiles this force will survive. And it is a considerable force in numbers. And if he is really launching a missile attack he will have to eat it.

Mr. BEGON. He will get it back.

General Power. He will get it back. And there will be no profit in it for him.

Mr. YERXA. Now the scramble is over. The planes of the alert force are aloft, heading along their carefully prescribed courses.

The pilots and their crews never know whether this is the real thing or just another dry run.

At SAC headquarters underground plotting teams keep watch over the progress of the planes.

Here is what the military calls the big picture. And its information, constantly updated, is relayed to Washington.

Here, too, there are no rehearsals. Every alert is presumed to be the real thing. If the appointed hour comes—E-hour—and there is no attack message, all planes automatically turn back to their bases. This is the fail-safe system.

So the great planes whistle toward a rendezvous with the ticking second hand.

Of course, nobody kids these men. The chances are no war; but the tension is there. So there is no attack order, no war, and the job is done.

This is a costly business. Billions of dollars for SAC alone. So we are often prompted to ask what is the minimum force we can keep and still do the job. The minimum deterrent.

Now, no military commander can ever sit back and claim he has enough to stop any attack. To do so is to invite Maginot Line defeat. But when he gets into deterrence it becomes complicated. If I think you are going to pick a fight with me it is difficult for me to know whether the threat of one punch will stop you or if it will take the threat of a hundred.

Nobody knows what the minimum is that will keep any dictator or aggressor from starting a war, except possibly the aggressor himself. And even he may not know because the situation changes.

For example, Mr. Khrushchev recently boasted that all our defenses are obsolete because he can circumvent our warning radars and attack without warning.

Maybe he means it, and maybe he is just trying to undermine our faith in our retaliatory force. But whichever it is, it seems to me SAC has a built-in answer to it. And that is to augment the ground alert by expanding the airborne alert, which is now only on limited training basis. To keep bombers in the air at all times. Now this of course would change the cost factor. That is one of the realities we face. So we asked General Power for some of his views on the subject of minimum deterrence.

General Power. Well, there is now a basic principle involved here, and I think it is the same principle that is involved when you take out insurance to protect you against civilian suit.

If you knew exactly how much you were going to be sued for you would be very foolish to take out 1 penny's worth of insurance more than that. But you do not know. So you take out enough insurance to feel secure.

Now, different people have different ideas on what security is and how secure they want to feel.

Also, people have different ideas of what the value is of a particular item they are trying to protect.

In this case we are trying to protect our way of life, our personal liberty, the dignity of the individual, our way of running a government.

Now what value do you as individuals put on this? I am sure that it differs amongst different people.

The only point I am making is you can have any amount you want. You should know what you are trying to protect, what it is worth to you, and how much you want to put on the line in order to protect it.

You can have anything you want. I am merely stating that it is extremely dangerous to try to chase a minimum deterrent. It is much better to have the deterrent margin, and you should feel as secure as you want to feel.

Mr. YERXA. You feel you have that margin? General Power. Today, yes. The record proves it. That is the best proof.

But there are new elements coming into this thing. It is a changing era. We are in the missile age. There has been a fantastic compression of time.

And one other thing that is not well understood by many people, and that is, you do not necessarily deter with the size force you have in being. But rather, you deter with the size force you have left after you have been subjected to a missile surprise attack.

Now it even goes a little further than that from the point of view of deterrence. It is probably even a little more sophisticated. You deter with the size force that a potential aggressor thinks that you will have left after he has subjected you to the surprise attack he is planning.

Now, in the missile age with hydrogen warheads and this fantastic compression of time there are many problems connected with insuring the survival of your strike forces, and I will mention some of the classical ones that we employ.

One is fast reaction, coupled with warning. In other words, simply stated, you ascertain how much warning you can be sure of. And mind you, in the missile age this is just a matter of minutes. Then you tailor the largest percentage of the force that you can to react within that warning time.

Now today, in the case of the Strategic Air Command, over 50 percent of the Strategic Air Command is on constant alert, capable of being off the ground in less than the warning time that we will get of a surprise missile attack.

Mr. YERXA. What is that warning time?

General Power. Well, you can figure it out yourself. It takes a missile roughly 30 minutes to go from the Soviet Union to the United States. This warning is provided by radar. It is known as BMEWS—Ballistic Missile Early Warning System. They see this missile at its apogee, approximately the halfway point.

So you have something in the neighborhood of 15 minutes or more of warning.

Mr. YERXA. So that you can get this striking force launched within that 15 minutes?

General Power. We can, and let there be no doubt about it. We check it every day. We test it every day, our capability to get the word, the warning to our units and have them take off within that time period.

Now, another way of insuring survival of your weapons system is through dispersion. This is another strategy or tactic. You spread out your weapons systems; and the obvious reasoning here is that the more you spread them out the more individual aiming points he must plan on, plan on striking simultaneously, and therefore his task becomes more complex and his confidence factor that he can hit them all is lower.

Now dispersion is an excellent strategy, particularly when it is coupled with another strategy which we call hardening.

Now this applies to missiles. They will withstand a near miss. They will not withstand a direct hit. There isn't anything that man has built to date that will withstand a direct hit by a hydrogen bomb. But now what do we do? We place a requirement for extreme accuracy on any aggressor. He must not only plan to strike many points simultaneously but he must strike them with accuracy.

To give you an example. If, say, his accuracy is somewhere in the neighborhood of 2 miles, and assuming certain yields and reliability factors, then it may take him as

many as 20 missiles to be sure of destroying one of our hard missiles. So now you place a very complicated problem in front of him.

He must have many times more missiles than we have. They must have a certain accuracy, and they must be able to be delivered simultaneously if he is to have a high confidence factor that he can destroy all of our retaliatory forces.

So, dispersion and hardening are very good strategies.

Now, to give you an example of this, the Minuteman, which will be in silos in quantity and hardened, has a 32-second reaction capability. So you have placed a tremendous, tremendously complex requirement on anybody planning to attack the United States.

Mr. BEGON. Well, in regard to dispersion, Mr. Khrushchev of late has been making some dire threats against those countries where we have our advance bases. With the concentration of firepower that you have here on the continent do these bases really become a necessary part of your system?

General Power. Our base is extremely important from the basic principle of dispersion.

Whereas most of our bomber strength is stationed in the United States, by having some of it located in the forward areas we greatly enhance our timing, our ability to strike fast. I think this is an important element that is not too well understood at times.

Now there is another strategy that we use to insure the survival of our force, and I will call it mobility. This is the basic principle behind the airborne alert. It is the basic principle behind the mobile Minuteman on trains. It is the basic principle behind the Polaris submarine.

By keeping the weapons systems moving at a random rate it is obviously impossible for any aggressor to accurately know where they will be on a "D" day and "H" hour that he is planning to strike you. And thus, he has a very low confidence factor that he can destroy that particular weapons system.

Mr. BEGON. Sir, you mentioned earlier the phrases positive control and fail-safe. I wonder if you could explain those a little more, particularly in connection with missiles.

Is there any positive control over missiles?

General Power. No. When I was talking about positive control I was referring entirely to the ground alert, manned aircraft force. This is the force that we can launch when we get radar warning from BMEWS.

Now, radars are very fine devices, they see real good. Sometimes they see too good. They see things that are not there.

So now, we have the ability to launch this manned force. There is no danger involved in this. They are flying over friendly territory, they are under positive control, and if the signal turns out to be spurious they return back to their base. There have been no threatening gestures, there is no danger of an accidental war.

It is, as the term implies, under positive control. But this is only for the manned aircraft. That is one of the beauties of the manned system, one of the flexibilities of it.

Missiles obviously cannot be recalled once they are launched. So missiles will have to ride out the attack. And that is why they are hardened and dispersed.

Mr. YERXA. Missiles once launched are off and away, and they cannot be controlled. Is there theoretically at least a potential for full control, positive control and guidance of missiles somewhere in the future?

General Power. To apply them in the same way that I mentioned, the positive-controlled manned force?

Mr. YERXA. Yes. General Power. No. Until you get into space. Now, if you had space vehicles, of course, you could do the same thing. But they would be manned then.

Mr. BEGON. There would still have to be a manned aircraft or spacecraft.

General POWER. And this is one of the beauties of the manned force. This is why we believe in the mixed force of aircraft and missiles. We think they complement and supplement one another. Each one has peculiar advantages, and some disadvantages.

By having both you can exploit the advantages of each particular weapons system. And nullify the disadvantages of any particular one.

Mr. BEGON. The missiles would never be put into action until you are real sure that somebody is mad at you?

General POWER. You would never launch the missiles until you really mean to go to war.

Mr. YERXA. After you have been hit.

General POWER. Well, that depends on the civilian authority. In the military we are prepared to carry out any orders that the civilian authority issues to us, any orders.

Mr. YERXA. Naturally, in case of a war all SAC bases would be prime targets for atomic missiles.

SAC would be lost without its control facilities. So we asked General Power how they can be protected against attack.

General POWER. Well now, the basic command element, control element here is underground. As I mentioned before, there isn't anything that will withstand a direct hit by a hydrogen bomb. So what we have done now, we have used the principle of dispersion. We have alternate headquarters located around the United States that would automatically take the command over if this one was destroyed.

But of course, there is always the possibility that they will be destroyed. So we have done something in addition to that. We maintain an airplane in the air at all times. He is circling this headquarters at all times, with a general officer aboard, and controllers, and all the codes necessary to control the Strategic Air Command.

This airplane has been in the air for over a year now. Of course, not the same one, but there has continuously been a general officer with the codes and with all the communications necessary to control SAC if all the other command elements are destroyed.

Now the basic principle is simple—he files a rectangle around his headquarters. He is in constant touch with it. If he loses communications he flies over here. Now he is flying at some 600 miles an hour at all times. He flies over here and he looks down. If there is a great big hole in the ground where SAC Headquarters used to be, with smoke coming out of it, why he gets suspicious.

Mr. YERXA. He supplements the ground installation here, which is also manned all the time.

General POWER. Continuously, around the clock.

Mr. YERXA. SAC then is essentially a gigantic weapons system. But it has to be backed up by men. And I wonder if you could describe for us the role of man in SAC, and what kinds of requirements he has to meet, what sort of a job he has to do, and what rewards, if any, he finds, and what his incentives are.

General POWER. Well, I am glad you mentioned that because I think today with all our glamorous hardware we are inclined to forget that it still takes men to wage war. And it is men that win wars, not machines alone.

Now, in SAC, in which we have some 270,000 people, there are some 10,000 to 12,000 or more men directly engaged in the fighting part of this business. They man the bomber crews.

Now these are the men that are going to insure the delivery of these weapons. Now this is probably the finest group of men there are in the world, in my opinion. They

are handpicked. There is a screening exercise going on continuously, because this is a very hard life they lead, tremendous responsibility, tremendous pressure and tension. Mind you, they are living with this threat of going to war at all times. To them, it is real. If this world gets in an all-out thermonuclear war they know they are going, and going in the next few seconds. And they live with that daily.

The requirements for professionalism are high. They are constantly training, they are constantly checked, and any weakness that they show, they are removed from a crew.

So this is a very difficult way to live.

Now, some fall by the wayside, but the ones that remain and are combat ready and are in SAC's war plan today, in my opinion are the finest group of men that exist in this world today. They are dedicated, they are highly motivated, and they are real professionals.

Now whether or not anybody appreciates this I cannot say. Sometimes I get the feeling that they are not really understood, just what they are doing.

For example, the SAC crewman works an average of 74 hours a week, 52 weeks a year. He is away from home 135 days a year. He is away from his family. He is down in that airplane, living in it, living right by it, so he can get airborne in a matter of minutes.

He is constantly responding to klaxons blowing, testing, and checking. It's a hard life.

Mr. YERXA. There has never been a military force maintained on the basis of 50 percent alert.

General POWER. Never been attempted before.

Mr. YERXA. General Power's headquarters at Omaha is essentially a command post operation, an elaborate control center where plans are written, orders are issued, and the result subjected to continuous analysis.

The Strategic Air Command is many things, but at the business end, primarily, it is a collection of what, in modern colloquialism, we know as hardware. The planes, rockets, missiles, arms, and guns which men use as tools of war for the maintenance of peace.

For such big tools as these the workshop is necessarily vast. SAC is spread over 80 operational bases throughout the free world. One such base, which is a little different from any other, except in climate or local color, is Westover Air Force Base in Springfield, Mass.

This is the kind of place where SAC gets down to its brass tacks. The kind of place SAC men call home when they are on the ground.

It is a rather unpretentious collection of businesslike buildings, most of them refurbished from World War II. Statistically, Westover covers some 4,200 acres and normally houses about 10,000 military personnel.

These men are the combat air crews and support troops for the 57th Air Division of the famous 8th Air Force, which is one of the three numbered air forces in Strategic Air Command.

On the flight line at Westover are about 30 B-52 bombers like the big stick, divided into 2 squadrons of the 99th Bomber Wing, and 2 squadrons of both propeller-driven and jet-powered tankers for mid-air refueling.

This then is the business end of SAC, insofar as the manned bomber force is concerned.

As General Power makes plain, the manned force is here to stay, and manning involves thousands of people, not only in the air, but far more of them on the ground. Men in combat crews, yes, but also in support units. Men who devote themselves to hours of planning to keep the intricate machinery of SAC tuned to readiness.

Maintenance is an operation as vast and complex as a war plant. But it comes down to men. Men like Sgt. Harold Fay, a military veteran, who is a chief of a B-51 ground crew.

Sergeant Fay. Well, on this airplane here, the thing is to get it ready to fly in a minute's notice, and keep the maintenance maintained on it at all times, so in the case of an EWO we would be ready to go.

Mr. YERXA. And EWO is what?

Sergeant Fay. Emergency War Operations.

Mr. YERXA. Emergency War Operations.

Sergeant Fay. Yes. And that way, as soon as the other plane lands we have a crew that just started here that maintains it up for the first 9 hours. Then my crew come in and take and clean up in case that crew doesn't have enough time in their 9 hours, then we have to be here to make sure the airplane is ready at all times.

Mr. YERXA. Right now, you're on alert, are you?

Sergeant Fay. Yes, we're on strict alert right now, and we'll be here for several days, and I have to stay right close to the airplane at all times.

Mr. YERXA. All the time?

Sergeant Fay. All the time.

Mr. YERXA. Tell me, Sergeant, do you think that the maintenance of this Strategic Air Command Force could prevent another Pearl Harbor?

Sergeant Fay. Oh, definitely; definitely I believe it could. And I believe it will.

Mr. YERXA. Why?

Sergeant Fay. Well, let's face it, SAC is one of the strongest forces in the world today, and at the rate they're going it's going to still be the strongest. And I don't believe—this is my own personal opinion—I don't believe that they will ever get rid of the manned aircraft. They have missiles and what have you, and I still think they'd have to have a crew chief and ground crews to man these airplanes. They have to have flight crews also.

Mr. YERXA. Tell me, when your crew is on a flight mission what do you do then?

Sergeant Fay. Well, of course we sweat them out all the time on takeoff and all the time during the flight.

You don't relax. You wonder whether the airplane is coming back early or whether they're having difficulty, which does happen occasionally.

And then, they have these aborts and you don't know what the abort is all about until you land. Occasionally you get the word they aborted. It might be a fuel leak. So you can never tell.

The ground crew sweats them out. I mean, you can't help it. It's just like the airplane, we want the ground crew to come back, you want the airplane to come back in good shape. You just can't help it, you sweat them out all the time.

Mr. YERXA. You pretty much ride with them?

Sergeant Fay. Yes; I sure do. I sure do.

Mr. YERXA. Sergeant Fay and men like him live on or near SAC bases everywhere. They have to struggle with school problems like everybody else. They raise their children, complain about the cost of living, and pay the babysitter.

They worship according to their beliefs, and like everyone they pay taxes to support the very thing from which they draw their pay.

And they earn every penny of that. How well they earn it you can see if you come along on a B-52 flown by Maj. Gerald McKay, a veteran pilot of two wars.

We learn that what is commonly called a routine training flight is no idle afternoon drive along the skyways. It is a split second grind over a 12- or 24-hour period in the hard quarters of a high altitude bomber where you have to be ready to live on oxy-

gen. Every minute of precision navigation and practice bomb runs is a busy moment. Headphones constantly crackle with voice communication between plane and ground or among crewmen in the bowels of the ship.

And there is the ticklish problem of locating an airborne tanker up in the sky, making contact with him on a precision timetable and hanging on to take the fuel and keep going. This is a close job of formation flying that can bring the sweat right through a pilot's flight suit.

Back in the alert facility waiting out his tour, Major McKay is a professional man whose work is by no means all glamor. His day begins before he takes the runway and ends well after touchdown.

Major McKay. It's a full day. We start our mornings at 7:30. We have briefings. We are briefed on the weather, the weather for our targets. Then we start with ground school after our breakfast at 8 o'clock. We preflight our aircraft and have classes throughout the day in trainer periods.

Mr. YERXA. So that all of the time during the normal working day you are kept busy?

Major McKay. We are kept very busy. We are constantly on the alert for new procedures and new methods of accomplishing things.

Mr. YERXA. Well now, Major, when you are off of this alert duty you are still active as a combat crew member. What sort of missions do you carry out when you are on duty but not on alert duty?

Major McKay. Well, we fly a simulated EWO-type mission, which is a training mission. We try to simulate all phases of EWO missions. We have minimum requirements that must be accomplished each training quarter the same as the ground phase.

We are in competition with each other on these missions. Each crew competes against the other and this also gives added interest to the combat crew program.

Mr. YERXA. Major, I know that as a SAC aircraft commander you are seldom away from that airplane even when you are off duty. Tell me, how do you maintain a normal life with your family and with your friends, and do you feel that the civilian population has a sufficient appreciation of what it is that you are doing?

Major McKay. Well, yes, I am sure they all appreciate the job. I have many civilian friends that I have talked to, and they generally understand our problem.

I try to spend as much time with my family and children as possible. This is one of the disadvantages of the job, being away from your home and your family.

However, I always feel at least I have a home and family to return to.

Mr. YERXA. Major, your own family lives here on this base. Do you ever think of the hazards involved in that?

Major McKay. Yes, we all think of this.

Mr. YERXA. Yes, crewmen of SAC are well aware of the destructive powers of war and the safeguards against accidental war. I have never found one who was eager to start one.

Take the B-52 crew of Capt. Wayne Wicks.

MAN. What do you fellows think about this? Do you think that our method of trying to deter war is warmongering?

MAN. Well, definitely not. I feel our main purpose here is to prevent war. It is strictly a peaceful deal and, well, I feel if we weren't here we would probably have war thrown against us by another nation.

MAN. A good example of that is Pearl Harbor. We weren't ready then and we got hit real good. Now we are ready and I feel if we stay that way we stand a much better chance of staying at peace than if we are not ready.

MAN. We will not be able to go to war accidentally because as a crew we have been briefed many times, and I think that we know our procedures. I do not think—I

know we know our procedures. There is no doubt in our minds that we will follow these procedures and there will be no accidental war as far as SAC is concerned.

MAN. We like to feel that we are just as much a professional man in a sense as a diplomat or a Foreign Service worker who is certainly working toward peace just as much as we are, and I think that ties in with the motto, SAC's motto: "Peace is our profession." That is exactly what it is, and it will continue to be so as long as there is a need for a group of people or a person to go out and do his bit toward maintaining the peace.

Mr. YERXA. Serious business, and SAC strives for perfection. I put one serious question to Col. John Cafarelli, Chief of Control Division of the 8th Air Force.

Colonel Cafarelli, what guarantees do we have against the triggering of an accidental war so far as SAC is concerned?

Colonel CAFARELLI. Well, Mr. Yerxa, the SAC fail-safe system has a tremendous number of safeguards built into it, both from the human factor and the mechanical factor. These safeguards are designed to prevent either an unintentional, inadvertent launch, or an intentional launch without proper authority.

Now, as you know, and I am sure that the American public knows, that the force itself as we know it, to go to war must be sent to war by the President, and that we in SAC are only an instrument that the President uses when and if he has to. There is no way that I know of that it could get away from us.

The system that I know and that I understand—I have complete faith that neither through mechanical failure nor the human-factor failure will there be an inadvertent launch or war.

Mr. YERXA. So we have seen a few of the men. General Power says they live a hard life. Colonel Cafarelli is never more than three rings away from a telephone. What is it that makes them stay with this kind of life?

We asked General Power how big a turnover he has to contend with.

General Power. You can't have a high turnover and maintain 50 percent on the alert. You must have a stable force. It has to be stable. So in our crews we have a very low turnover, and this is the challenge, to keep these men in the crews.

Obviously you cannot make a man be a combat crew member when the requirements and the tests and evaluations are so rigorous; all he has to do is flunk any one of them and he is automatically off the crew.

So they must want to do it. They must be highly motivated. They must believe that what they are doing is worthwhile. And I think the important thing is that our men are convinced that theirs is a worthwhile mission, trying to prevent a thermonuclear war, and if they fail in preventing it, to win it if we get in it.

Mr. YERXA. Men are vital, but missiles are becoming more and more important. This is the so-called mixed force concept—planes and missiles.

Some missiles are carried aboard planes. This B-52 is equipped with Hound Dog missiles. They are designed to speed ahead and knock out air defenses in the bomber's path.

Added insurance that the bomber will penetrate to its target.

Nearing the operational stage is Skybolt, a missile that can be fired at a target while the bomber is a thousand miles away.

But the final crushing blow to an aggressor nation would come in a rain of intercontinental ballistic missiles.

The first ICBM to join the SAC arsenal was Atlas. It can hurl a nuclear warhead more than a quarter of the way around the globe and strike less than 2 miles from its target.

The Titan is a more advanced weapons system, and the first Titan squadrons have just become operational. They lend themselves better to hardening. All SAC's Titans are sheltered in underground silos, structures of steel and concrete that can absorb almost anything but a direct nuclear hit.

This later model of the Titan is fired from within the silo. Flames from the blastoff are dispersed through vents. And the Titan, too, which is being perfected now will be the first ICBM with liquid storable fuel.

However, SAC's most important missile will be the Minuteman, a solid-fueled missile that can be mass produced at a relatively low cost. It requires little maintenance and can be fired almost instantly.

By the end of 1964 it is expected that we will have 800 Minutemen standing guard over this country. No aggressor nation could ever hope to knock out this force.

The missile age has led to a new development in General Power's headquarters.

At one time SAC was the only command that had atomic warheads. Now many of the services carry them. And as a result there were problems in the coordination of individual war plans.

So in 1960 Defense Secretary Gates formed a new organization called the Joint Strategic Target Planning Staff. Now it has two jobs: to compile a list of strategic targets, and to write a single, integrated plan to strike them if necessary.

This vastly increases our retaliatory potential and speeds up our reaction time.

Secretary Gates felt that General Power was the logical commander to head this staff.

General Power. We have representatives from all the services here. As a matter of fact, my deputy in the JSTPS is Vice Admiral Johnson. There are other admirals, Army generals, many Navy captains, Army colonels, Marine colonels and Air Force field grade officers on this staff. It numbers some 200.

One of the things that Mr. Gates did when he assigned this task to the organization that was unique, he gave me authority to resolve differences. As we were evolving the plan it was very natural that there would be differences of opinion as to what weapons system we would use or how you would lay it down. This was perfectly natural because you have people with different backgrounds and different experiences.

However, at times somebody must make a decision in order to go on with the plan. He gave me this authority. This does not mean that this is absolute authority. It was just authority to resolve the difference at the time so we could go on with the planning.

I was also charged with highlighting this difference to the Joint Chiefs of Staff, and of course they could also overrule me.

But it did provide a mechanism so we could get on with the planning.

Mr. YERXA. This achieved in effect a kind of a unification of the Armed Forces.

General Power. It did achieve unification, and it has worked out exceedingly well in my opinion because we did write the plan in what I consider a very short period of time, a very excellent plan.

The forces that are now employed in a general war are all part of a common plan, and are timed to a common timing schedule.

Mr. BEGON. But this one plan is continually being rewritten and brought up to date, is it not?

General Power. War plans must be constantly revised because forces change, their location is changed, new intelligence is introduced.

Mr. YERXA. General, how detailed is this planning?

General Power. Extreme detail, here. There is great complexity here, great volume of work.

However, at a unit there is little detail, little complexity because all of the detail is worked out here.

Mr. BEGON. Down to a single airplane commander?

General POWER. Down to a single airplane commander. And there is little complexity forward. By that I mean in higher headquarters in Washington. We have given much flexibility and many options for many different tasks or degrees of tasks, and put this in such a form that the President can direct or select one of these and pass those instructions with a very few words.

Mr. YERXA. General, speaking of missiles again, do you believe that the manned bomber or the manned weapon vehicle of some kind will ever become obsolete?

General POWER. No, no. I mentioned before, I did not go into detail, the value of the mixed force. I think there is going to be a place for man in our weaponry from here on out.

Mr. YERXA. Are you confident of your ability to penetrate any enemy defenses?

General POWER. I have absolute confidence that the manned bombers in the Strategic Air Command will penetrate and will deliver the bombs as laid down in our current war plan.

Mr. YERXA. Obviously he has defenses against another party.

General POWER. Defenses have improved. Now in the last war we flew some 550,000 bomber sorties, and we lost I think it was 9,500 bombers, for a loss rate of about 1.8 percent, somewhere in that ball park.

The defenses in the last war were not worth attacking with that low loss rate. However, they have improved. Well, I have news for them. We are going to attack them. Now we are going to use one of the finest penetration devices ever invented by man, the hydrogen bomb. We are going to fight our way in. In addition to using other tactics.

Mr. YERXA. In other words, where in the last war you merely evaded or avoided defenses, now you have defenses specifically on your target list.

General POWER. We will attack them as targets.

Mr. BEGON. Well, sir, we have talked about the ability of the defense system to survive a first attack and strike back.

There are many people who believe that all of this becomes quite useless because in the process civilization itself perhaps might end. How do you feel about that?

General POWER. Well, this is not so, in my opinion. I think that people have, some people have become so afraid of the thermonuclear war that they have arrived at this conclusion.

Now, as I stated before, the challenge is to try to prevent this war because if mankind gets in an all-out thermonuclear war to try to settle their differences why they will have reached the highest plateau of stupidity as far as I am concerned. But I am not saying you cannot prevent it. And if you do get in one this is not necessarily the end of the world nor of your country, because you can survive.

Mr. BEGON. We can survive.

General POWER. You certainly can survive one if you take the proper steps. But this depends on the will and guts and determination of the American people.

But even more serious than that from the point of view of deterrence, deterrence is not strictly a military responsibility, nor does the military deter by themselves. Deterrence is the product of the military capability plus your economy, plus your schools, plus your industry, plus your science. But more important than all, the will and determination, or guts, if you want to call it that, of the American people. This is what really deters.

Mr. BEGON. Have we got it?

General POWER. I was going to use a word not allowed to be used on the air. There is no question in my mind that we have got it. No question whatsoever. And I hope everybody else in this world realizes that we have got it. I think they do.

THE GENOCIDE CONVENTION

Mr. JAVITS. Mr. President, almost a dozen years have passed since the Senate was asked to advise and consent to ratification of the Genocide Convention; and so long as the specter of this crime continues to haunt mankind, we have a basic obligation to assume the responsibilities of the Convention. The visit to this country of the Hon. Gideon Hausner, attorney general of Israel, and prosecutor in the trial of Eichmann for organizing the murder of 6 million Jews, has made us look again at the horror of this crime and at the resolve which impelled our country to take the lead in drawing up the United Nations Convention on the Prevention and Punishment of Genocide, and to sign it.

We have come a long way from the international fear and domestic considerations which kept the Convention in committee, and prevented it from reaching the Senate floor. Today 65 nations, including the Soviet Union and its satellites, have acceded to the Convention. While genocide, as defined in the convention, has never occurred in our country, and in all likelihood never will, ratification by the United States would have a tremendous influence on the other nations of the world and on the development of the rule of law, instead of force, for the world. The Genocide Convention should be reconsidered and hearings should be reopened by the Senate Foreign Relations Committee. I am asking the President of the United States, the Secretary of State, and the chairman of the Senate Foreign Relations Committee, the Senator from Arkansas [Mr. FULBRIGHT], to take such action.

I am pleased to associate myself with a resolution adopted by the B'nai B'rith, the great Jewish fraternal organization, at its triennial convention, just concluded in Washington, D.C., calling for ratification by our country of the Genocide Convention. I ask unanimous consent to have printed in the RECORD, with my remarks, the text of the B'nai B'rith resolution adopted on May 14.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON THE GENOCIDE CONVENTION—ADOPTED BY THE B'NAI B'RITH AT ITS TRIENNIAL CONVENTION, WASHINGTON, D.C., MAY 14, 1962

The adoption on December 9, 1948, by the United Nations General Assembly of the Convention on Prevention and Punishment of the Crime of Genocide marked a significant step forward in protecting human rights by branding the wholesale extermination of races, religions, and nationalities an international crime.

Despite the fact that over 60 countries of the world have already ratified and subscribed to the Genocide Convention, the United States is among those countries which, thus far, have failed to do so. This failure affects adversely America's moral leadership in the democratic world.

B'nai B'rith calls upon the administration to press for ratification by the U.S. Senate of this Genocide Convention; and urges each member of the U.S. Senate to make his contribution to basic human rights by voting to ratify this Convention. By so doing, the U.S. Government will contribute to the advancement of a system of international law based upon principles of justice and humanity.

Mr. PROXMIER. Mr. President, I join the Senator from New York in his remarks on the Genocide Convention. I agree that ratification by the Senate of the Convention is long overdue. The Convention has been worked out with great care, as the Senator from New York has so well stated; and I believe that ratification by the U.S. Senate of the Convention would well serve the interests of humanity and the aspirations of the American people.

JUVENILE DELINQUENCY — NEW YORK STATE AND NEW YORK CITY POLICIES

Mr. JAVITS. Mr. President, intensified efforts to meet the problem of juvenile delinquency are urgently necessary on every level of government. The State of New York and New York City are coming to grips with this growing situation in ways that may be of interest to those in other States who are concerned with it. New thinking and fresh approaches involving local communities are necessary; greater coordination is called for; and there is a desperate need for many more trained personnel than are presently available. Getting this problem under control and reducing it to a point where it no longer presents a danger to our society will take a great deal more funds than we have so far authorized for this purpose.

I ask unanimous consent that there be printed in the RECORD a report on a meeting of city and State officials in Albany, N.Y., March 6, which was addressed by Gov. Nelson A. Rockefeller; and excerpts from a statement by Hon. Abe Stark, president of the Borough of Brooklyn, N.Y., presented to the board of estimate of New York City on April 24.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRESS RELEASE

Governor Rockefeller today urged intensified efforts to improve coordination on the part of Federal, State, and local agencies in their approach to delinquency prevention in the major metropolitan areas of the State.

Speaking at a conference attended by youth board officials from Buffalo, Rochester, Syracuse, and New York City, State commissioners concerned with youth problems and representatives of the President's Interdepartmental Committee on Juvenile Delinquency and Youth Crime, the Governor said:

"New York State enjoys a 16-year tradition of cooperation and support of local municipalities, first through the State Youth Commission, and since 1960 through the State Division for Youth in cooperation with the Interdepartmental Committee on Youth. Recent Federal legislation has brought certain resources of the National Government to bear in this area. The challenge that faces all of us is to coordinate the efforts of local, State, and Federal Governments in

such a way as to bring the most effective and comprehensive services to young people at the local level."

Today's meeting was the first in a series of meetings planned to bring together local officials who face similar problems in different areas of the State. It also explored ways in which Federal support under the Juvenile Delinquency and Youth Offenses Control Act of 1961 could be effectively coordinated with State and local programs.

David Hackett, Executive Director of the President's Interdepartmental Committee on Juvenile Delinquency and Youth Crime, addressed the meeting regarding criteria for Federal financial support in demonstration, training, and technical service projects.

Alexander Aldrich, the director of the State division for youth, presided at the meeting and explored new areas in which New York State is pressing ahead to meet the problems of youth by working with the local communities. Particular stress was placed upon the coordinated expansion of youth and work training programs and the opportunities presented in a statewide research program in delinquency prevention.

Present at the meeting, in addition to Governor Rockefeller, Mr. Hackett, and Mr. Aldrich, were—

Aaron Schmais, assistant to the Commissioner of Youth Services, New York City Youth Board (representing Commissioner Whelan);

Miss Harriet Young, senior consultant, Youth Services, New York City Youth Board; Joseph D. Hillery, chairman, Buffalo Youth Board;

Herbert J. LeVine, executive director, Buffalo Youth Board;

David Getman, secretary to the mayor of Buffalo;

Clarence Gifford, chairman, Rochester-Monroe County Joint Youth Board, Rochester;

William Bub, executive director, Rochester-Monroe County Joint Youth Board, Rochester;

Henry Cohen, Deputy City Administrator, New York;

Warren S. Pease, president, Onondaga County Youth Board, Syracuse;

Emil Hale, executive secretary, Onondaga County Youth Board, Syracuse;

Milton G. Rector, director, National Council on Crime and Delinquency, New York;

Dr. Hyman Frankel, research director, National Council on Crime and Delinquency, and Consultant to the President's Committee on Juvenile Delinquency and Youth Crime;

Ell Cohen, executive secretary, National Committee on Employment of Youth, New York City;

Thomas E. Joyner, executive assistant to the industrial commissioner, State department of labor;

Stephen Mayo, director of field operations, State division of employment;

Dr. Edwin Van Kleeck, assistant commissioner, State department of education;

Dr. Walter S. Crewson, Jr., associate commissioner, State department of education, Albany.

STATEMENT BY BOROUGH PRESIDENT ABE STARK

I want to call your attention to a whole series of reports prepared by the mayor's juvenile delinquency evaluation project under the able direction of Dr. Robert M. MacIver, of Columbia University. This group presented no less than 16 interim reports and 3 final reports.

I was deeply concerned to read in one of these reports certain figures which analyzed juvenile delinquency cases disposed of by the children's court of New York City, by type of delinquency, from 1950 to 1959.

In 1950 the total number of cases was 4,600. In 1959 the total had gone to 12,112. That increase amounted to 163.3 percent.

The report also emphasized that here in New York City the seriousness of the delinquency situation is aggravated by the special problems New York faces. One of these is the problem of our in-migration youths.

The other—and that is a shocking fact—is the use of narcotics and narcotics addiction among our youth population.

The final report presents what might be called an indictment of our present method for dealing with our juvenile delinquency problem. It states as follows:

"In a city of this size, with a delinquency problem of major proportions, we can no longer proceed in a hit-or-miss fashion. The need for genuine citywide planning to prevent delinquency and provide for the needs of the city's youth problem is not only evident—it is urgent. It is clear that real progress can be achieved only from a planned and coordinated approach to the problem. All the rest is merely a holding operation—patching here, pasting there, putting out fires in one part of town, while they are beginning to ignite in another."

In view of this report, but mostly because of what I personally know of our youth and their needs, I believe the time has come for us to try a new approach—one which is more effective and far less costly—to produce better results than we are getting today.

We must broaden our program of preventive maintenance to check juvenile delinquency before it starts. We must see to it that the existing number of hard-core cases requiring expensive attention and service does not increase.

This, I am convinced, can be achieved if we make contact with our susceptible youth before they become delinquents.

The only way to do this is to offer an attractive alternative to the street corner hangout. The means to do this are already at hand and they will cost the city comparatively little.

Such facilities exist in present clubrooms, hobby rooms, swimming pools, gyms, and recreation rooms of 150 private agencies which can keep out of trouble an additional 60,000 of our youth at a cost of about \$50 per child per year.

I estimate the annual cost of this proposal at about \$3 million a year. One of its added advantages is that it would require no outlay of badly needed capital funds.

Therefore, I propose that we establish a new program—a partnership arrangement—whereby funds from city, State, and Federal sources would be channeled into our existing, privately maintained boys' clubs, settlement houses, and youth centers to help both our Government and private agencies in their battle against juvenile antisocial behavior.

In addition to these recommendations which I have made, I believe that the time has come for us here in the city of New York, in conjunction with organized labor and management, to go into a study of providing job training for the youth, who needs this kind of training in order to secure employment that will make him self-reliant, guarantee his financial independence, and give him a fuller, richer life in his future years.

MEDICAL STUDENTS

Mr. JAVITS. Mr. President, the expansion of medical facilities throughout the country in response to need is resulting in an increasing shortage of professionally trained medical personnel. At the present time only 2 percent of our college graduates are going into medicine compared with 14 percent in 1900, and the ratio of physicians to population is lower today than it was 10 years

ago in spite of a 15-percent increase in U.S. graduates and a 300-percent increase in licensing physicians who were trained abroad. We are "importing" doctors to meet the greatly increased demands for services, but we are not keeping pace with the needs of our growing population, and the high cost of medical education is discouraging American students from entering the profession. We should be acting quickly to make the necessary financial assistance available by adopting legislation for medical, dental, and nursing scholarships for students and loans for professional schools for expansion or new construction.

The president of the Broome County Medical Society, Binghamton, N.Y., comments on these matters in that society's journal. I ask unanimous consent to include in the RECORD the statement by Dr. Judson S. Griffin entitled "The Commodity of Time," which appears in Broome County Medicine, May 1962.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE COMMODITY OF TIME

(By Judson S. Griffin, M.D.)

Failure of graduating classes in medical schools to provide sufficient new physicians to meet the demand of an increasing population is adversely affecting our physician-population ratio every year. This fact is coupled with the need of more specialists as the scope of the practice of medicine expands. The increased desire on the part of the public to be covered more adequately medically is consuming available physician time at an alarming rate.

Currently, more and more physician time is expended in providing information on an increasing number of insurance forms and medical reports. Continuing efforts to improve patient care have required physicians to spend additional time in serving on hospital staffs and medical organizations' committees. Broad medical research programs are producing rapid changes in the concept of practicing medicine and, as a consequence, more of the physician's time must be devoted to study in order to keep up to date.

The summation of these facts is resulting in a harassed physician, with too little time in which to accomplish his work, and with too infrequent respites from the responsibilities he carries.

Many impositions to patients have resulted as well. The classic house call of yesteryear which did much to cement a relationship of good will between patient and physician has been reduced to the infrequent house call of necessity. Evening office hours have been eliminated or sharply curtailed as have hours on Saturday and impromptu hours on Sundays and holidays. At these times, emergencies are seen in the receiving wards of hospitals and nonemergencies usually deferred until regular office hours with inconvenience to the patient and, in many instances, lost time from work. Once in the physician's office, there is the historic delay before being seen. The outdated magazines of old have been replaced by new additions, but seemingly purposeful neglect of adherence to scheduled appointments persists and thrives, adding to patient agitation. This is not the case, of course. Completion of unexpected emergencies in the form of heart attacks, surgery, deliveries, and the like delay the appearance of the physician at the office. Once on the scene, inability to sharply regulate the time spent with each patient accounts for further delay, frustrating attempts to keep on schedule and appease patients.

The answer to this perplexing situation obviously isn't simple. Improved quality in patient care is the goal of the profession (and, I'm sure, of the public as well). If this premise is accepted, our solutions to the preceding problems are limited. More medical school graduates are obviously needed, but quality must be maintained and improved.

Incentives to enter medicine must exist in the form of financial aid to medical school education and in the form of a healthy climate in which to practice medicine. We must carefully evaluate the potential regulatory effect of socialized medicine in this light, as well as in others, such as unnecessary increased patient loads just because medicine is "free." Insurance forms and reports should be concise, pertinent, and uniform. The work of medical committees should be shared as a responsibility of all physicians with duplication and redundancy eliminated. Postgraduate education for physicians should be readily available with the least interruption of normal routine. Physicians and their office assistants will have to try harder to schedule office appointments realistically with the least possible inconvenience to patients, always keeping them abreast of unforeseen delays. Finally, patients must strive to develop a greater appreciation and understanding of the dilemma that faces physicians in their attempts to provide proper, timely medical care, the responsibilities they assume, and the difficult work schedule to which they must adhere. Only in this way, can physicians' time be more productive in yielding better patient care.

WHY JAMES A. MICHENER IS RUNNING FOR CONGRESS

Mr. PROXMIRE. Mr. President, in the current issue of the Saturday Evening Post, there is an article by James A. Michener, entitled "Why I Am Running for Congress." As virtually every American knows, Mr. Michener is one of the most distinguished and successful authors in this country. He is the author of "Hawaii" and "Tales of the South Pacific." He is a brilliant man.

In the article he states that one of the questions he runs into so often is "Why would a man like you want to get into politics? Why would a man like you want to run for Congress?" Mr. Michener answers these questions very well by saying:

I consider it insulting for any citizen to think that he is above politics. The governing of our Nation is one of the most important jobs that any of us can be involved in. BARRY GOLDWATER thinks it more important than running a department store. Averell Harriman preferred it to running railroads. George Romney chooses Government over making more automobiles. And Adlai Stevenson considers it more significant than coining money at the law.

This is a very heartening article by a receptive, extremely intelligent, and extraordinarily patriotic American. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY I AM RUNNING FOR CONGRESS

(By James A. Michener)

In the past months I've been insulted on an average of six times a day. And I'm sore about it. It all started when I was nominated by the Democratic Party to run for

Congress in Pennsylvania's important Eighth District, comprising historic Bucks County and industrial Lehigh County, which contains the city of Allentown. The Eighth hasn't elected a Democrat for more than a quarter century.

The insult consisted of this question: "Why would a man like you get mixed up in politics?" The question still makes me mad. Of course, friends asking it have intended no insult. In fact, I suppose they're trying to be flattering. When they use the words "a man like you," they mean a private citizen who is making a reasonably decent living and who is under no obligation to any political party.

I fit that description. My normal work as a writer provides me with all the excitement a man needs. This spring, for example, if I hadn't accepted the nomination, I would have been off to Spain with my builder friend, David Peace, of Philadelphia. He wanted to see some bullfights, and I had some research to do on an unfinished novel. After that, there was talk about a Broadway play that some experts were putting together around one of my ideas. And when that was cleared up, there would be location work on the long movie that Fred Zinnemann, who made "From Here to Eternity," was making out of my novel "Hawaii." I had a world of work to do and a keen desire to get started.

On the surface I would seem to be the least likely candidate for public office that a major party could find. But three significant factors didn't appear on the surface. (1) I used to teach American history and took the subject very seriously. (2) I have lived in many foreign nations that did not have good government, and I have come to respect self-government as one of the highest attainments of man. (3) As a boy I lived in dire poverty and was rescued by scholarships, fellowships and the generosity of our Nation. I owe a debt to America which is constantly in my mind and which I have always been willing to repay, either by volunteering for military service or by helping out in government.

I consider it insulting for any citizen to think that he is above politics. The governing of our Nation is one of the most important jobs that any of us can be involved in. BARRY GOLDWATER thinks it more important than running a department store. Averell Harriman preferred it to running railroads. George Romney chooses government over making more automobiles. And Adlai Stevenson considers it more significant than coining money at the law. If I were found worthy to participate in the Government of my Nation, I would be happy indeed. I would consider the work more important than the writing of another book, more significant than the making of another movie.

The second irritating part of the sentence occurs in the phrase "mixed up in." These words imply that to be involved in politics one must be corrupt, or devious, or stupid. I have not found this to be the case. In both Hawaii and Pennsylvania I have worked with leading politicians of both parties and have been able to do so without sacrificing scruples. I would be proud at any time to be mixed up with men like Senators Paul Douglas and Jacob Javits or Governors Robert Meyner and Mark Hatfield or Congressmen Wilbur Mills and John Lindsay. None of the professions in which I have worked has produced men better than these.

Another aspect of the phrase "mixed up in" alludes to nefarious deals which candidates are supposed to make before they win nominations or elections. I know something about this. When I was working in Hawaii, the Democratic Party was so split that its various factions could meet only in the neutral ground of my living room, and I went through hours of trying to arrange

"deals" that would be acceptable to both sides and permit us to win the election. (We lost.)

What did these deals consist of? Money, specific jobs, vetoes over legislation, payoffs? Such points were never discussed. Invariably the "deals" came down to this: In the case of victory, each side would be insured fair consideration in the making of appointments. What we argued about were those natural concerns of a political party fighting for survival. I never once heard money, payoffs or jobs for incompetents discussed.

In Bucks County today our Democratic Party is also split wide open. (I always seem to choose the tough ones.) I finally got the support of both sides; but before our ticket was finally arranged, we went through 3 weeks of frustrating midnight meetings in smoke-filled rooms, trying to maneuver one "deal" after another. Finally we organized a kind of truce and produced an honest slate of superior candidates. Graft, jobs, special legislation—these things never came up for discussion. But I watched strong-minded men almost come to blows over matters of abiding principle.

During this time the county Republicans were beating their brains out over the same problems. I was not privy to their discussions, but I seriously doubt that they were cutting up illegal melons or making immoral deals. They were trying to forge an organization that would clobber us in November, and they came up with a pretty strong slate.

While this was going on in the county, at the State level both Democrats and Republicans seemed intent on committing harakiri. On the Democratic side, Philadelphia Leader BILL GREEN, who delivered a huge majority for Kennedy in 1960, said he didn't like Richardson Dilworth for Governor and was sure Dilworth couldn't win. (Our side took Dilworth anyway, knowing him to be an appealing man and a great campaigner and later GREEN joined in support.)

The Republicans practically tore themselves apart, and President Eisenhower was goaded into characterizing their first proposal—Pennsylvania Superior Court Judge Robert E. Woodside and Congressman JAMES E. VAN ZANDT, as a miserable ticket. The Republicans finally settled on the strong ticket of Congressman WILLIAM W. SCRANTON for Governor and VAN ZANDT for Senator, which the Democrats promptly labeled as "half miserable." SCRANTON shot back, charging Dilworth with hiding corruption when he was mayor of Philadelphia, and the biennial public brawl was on.

My point is this. Far from being unwilling to get mixed up in that kind of politics, I find it both exhilarating and rewarding. The arguments, the night meetings, the conciliation, the hard work, the battling for points on which no honest man should retreat—this is the meat of politics, the traditional system whereby we govern ourselves.

When I was in business, as managing editor in a large book-publishing firm, I enjoyed the same kind of competition there, and I am convinced that many men in many walks of our national life do the same. It is the kind of contest that men ought to be engaged in.

But the major reason why any American citizen—except those of the clergy and military, who have reason for being excused—should be willing to run for office is this: The United States has one of the oldest continuing forms of government on earth today. If you consider all the nations that were in existence in 1789, when our Constitution became effective, you will find that most of them have undergone major constitutional changes. Some, like Great Britain, have managed internal shifts gracefully.

But almost all have had to change, while we have prospered under our peculiar and sometimes exasperating system.

Partly we have succeeded because our Founding Fathers laid down a masterful plan; partly we have continued because men of ability have volunteered to staff that plan. To preserve this miracle of stability and to transmit it to new generations seems to me to be as exalted an undertaking as any citizen could be engaged in. Therefore, if your neighbor astonishes the town by volunteering to run for office, don't, for heaven's sake, ask him, "Why would a man like you get mixed up in politics?" Don't discourage him. You may have another Nelson Rockefeller on your hands. He may be just the tonic your party needs.

Three other questions plague the newcomer. "Do you have to throw away your conscience to become a politician?" I have always supposed that men like PAUL DOUGLAS and George Romney became politicians because they had deep inner convictions. They enter the race to further those convictions, not bury them.

"What will you do if the opposition starts slinging mud?" This problem always worries nonpoliticians more than it does the professionals. As LYNDON JOHNSON said when majority leader of the Senate, "No man who is afraid of standing near the fire has a right to be in the Senate." I'm running for one of the 435 most important jobs in the United States, and the opposition has a right to belt me with every fact they can turn up. They won't say anything worse than book reviewers have said in the past. My opponent, who is the incumbent, is a distinguished lawyer who was a fine district attorney, and he didn't get where he is by "slinging mud." He happens to be more conservative in politics than I, and that's about the difference between us. For my part, I campaigned strongly for Senator John F. Kennedy, without finding it necessary to attack President Eisenhower or Vice President Nixon, and I certainly have no intention of "slinging mud."

"Do you think that you or anybody else could accomplish much in Washington?" The history of any political body consists pretty much of what individuals have been able to accomplish. If a State sends mental and moral zombies to Congress, little will be accomplished. If another State sends good men, their influence will be multiplied throughout the Nation. If I am elected to Congress, I will probably accomplish more there than I would in equal time as a novelist.

Because of my own special situation I get hammered by one additional question: "Since your opponent won in 1960 by more than 26,000 votes out of a total of 216,000, how do you find the nerve to run against him?" These figures don't scare me a bit. I've operated against much worse odds in my lifetime. Pennsylvania is a State that tends to elect the man it wants. In 1956 it chose Eisenhower by a staggering majority, but on the same ballot elected a Democrat, JOE CLARK, to the Senate. In 1958 the State chose a Democratic Governor, David Lawrence, but in the same vote elected a Republican Senator, HUGH SCOTT. If enough voters in the Pennsylvania Eighth want me to be their Congressman, they'll elect me.

The only way in which supposedly impragnable majorities are reduced is for somebody to challenge them and win the voters over to his side. The history of our Nation is replete with men and women who have won against staggering odds. Young men across our Nation—Republicans and Democrats alike—who are reluctant to run for office because of ironclad majorities against them must not be scared off from running on that account. After all, the Republican Party didn't really get going until 1856. Four years later its gawky Congressman, Abe Lincoln, won the Presidency.

LEGISLATION ON DAIRY PRODUCTS

Mr. PROXMIRE. Mr. President, yesterday I engaged in a colloquy on the dairy bill with the distinguished senior Senator from Minnesota [Mr. HUMPHREY], the assistant majority leader.

In the course of that colloquy, one of the difficulties was that I was making my remarks with reference to a copy of the bill which the Senator from Minnesota had given to me several days before. That bill had been modified before it had been introduced. I want to explain for the RECORD that one of the reasons for our differences and disagreements on the bill was that we were talking about two different versions of the bill.

I wish to emphasize, however, the tremendous importance of doing all we can to maintain dairy income at least at its present level, and then to move ahead. Dairy farm income is far too low. For the purpose of these remarks, I point out that the cost of the dairy programs has been much more modest over the years than has the cost of the cotton, feed grains, and wheat programs, in virtually every respect.

In this connection, I ask unanimous consent that a table I have had prepared, based on Legislative Reference Service data, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Losses on Government price support operations for cotton, dairy products, feed grains, and wheat, fiscal years 1953-61¹

	Annual average losses or costs (millions)		Losses as percentage of value of marketings ²	
	1953-61	1959-61	1953-61	1959-61
Cotton.....	\$195	\$315	8	12
Dairy products.....	285	252	6	5
Feed grains.....	296	439	5	8
Wheat.....	233	250	12	12

¹ Realized losses on CCC inventory transactions including resealing and interest expenses (under accounting procedures adopted June 30, 1961), plus export subsidies and sec. 32 funds used for price support operations.

² These data from Legislative Reference Service were put in the CONGRESSIONAL RECORD Mar. 1, 1962, p. 3239, in a speech by Senator CARLSON.

³ Value of crops produced, in case of feed grains.

THE KENNEDY PLAN TO DECIMATE OUR RESERVE FORCES

Mr. BENNETT. Mr. President, the administration has submitted to Congress a plan to abolish hundreds of Army Reserve and National Guard units and to drastically reduce the number of personnel in both the Guard and the Reserves in order to "strengthen" them.

The inconsistency of such a proposal is so obvious that any child could see it; yet the administration has actually asked the American people to believe that such a cut, or realignment, as the administration calls it, will make our Reserve Forces stronger.

I suppose it could be argued that if the plan were one to cut out inefficient units or inefficient personnel, this might result in greater efficiency, but this is not that

sort of action. Both in the Army National Guard and the Army Reserve, the Defense Department has quite frankly used the "meat-ax approach," arbitrarily abolishing units regardless of their efficiency or state of training and regardless of the need which exists for the type of service provided by each unit.

During the hearings on this proposal thus far, it has become apparent that this "realignment" was not born out of a desire to modernize the Reserve structure or to improve its efficiency, but simply out of budgetary factors. The fantastic strain on the budget of the administration's welfare program has meant that something had to give, and that something, of course, could not be the President's increased spending proposals on the domestic front. It was much more convenient to "realign" 8 Reserve and National Guard divisions and 824 nondivision units out of existence.

I think any careful examination of the facts will demonstrate that President Kennedy has decided to offer up these Reserve and National Guard units as sacrifices upon the altar of the New Frontier.

The key elements of the administration's plan are as follows:

First. Elimination of four Army National Guard divisions and four Army Reserve divisions.

Second. A cut in overall troop strength of 58,000.

Third. Elimination of 824 nondivisional units.

Fourth. Substitution of brigades for the eliminated divisions.

Fifth. Maintenance of six priority divisions at about 75 to 80 percent of war strength. This would be accomplished by cutting the manning levels of all other Reserve and National Guard divisions to between 36 percent and 40 percent.

Sixth. Addition of 4,000 technicians.

Seventh. An increase in the number of drilling reservists to take only annual field training, from 32,000 to 100,000.

The question naturally arises, Does this plan represent the judgment of the military experts responsible for planning the Army's personnel needs, and does it have the support of the Army General Staff and the Reserve Forces Policy Board?

The answer is "No." The plan was adopted over the opposition from the Army General Staff and contrary to the recommendations of the Reserve Forces Policy Board. Not only that, but it was also contrary to what the President of the United States had previously announced as his opinion of what should be done. On May 25, 1961, President Kennedy sent a special message to Congress on urgent national needs and recommended that the Reserve Forces be increased instead of decreased. He said:

The Army is developing plans to make possible a much more rapid development of a major portion of its highly trained Reserve Forces. When these plans are completed and the Reserve is strengthened, two combat-equipped divisions, plus their supporting forces, a total of 10 divisions, could be deployable with less than 8 weeks notice. In short, these new plans would allow

us to almost double the combat power of the Army in less than 2 months, compared to the nearly 9 months heretofore required.

At that time the President indicated that additional funds would be sought to make certain improvements in the Army's Reserve components, and a plan was presented increasing the total drill pay strength of the Guard and the Army Reserve to 760,000 instead of the present 700,000.

But what happened? Suddenly, after consideration of 24 different plans, the administration decided not to make the increase to 760,000. It decided not to even keep the present-day drill strength of 700,000. Instead, it came up with a new program to cut the strength to 642,000—a reduction of 58,000 from what we have at the present time. As the distinguished Senator from Nebraska [Mr. HRUSKA] recently observed, "If that is what they mean by progress, I would hate to think what they would call victory."

I think this incredible reversal of policy by the administration has been dismaying to every military expert. There was much optimism last year when the President indicated he was going to double the combat power of the Army by increasing the Reserves. When that increase suddenly melted away and resulted in authorization of 118,000 fewer personnel than the President's original proposal, it came as a shock to those who had put stock in his original promise.

Incidentally, there has been a great deal of mystery about who prepared this amazing "realignment" of the Army Reserve and National Guard. It was not the Joint Chiefs of Staff; it was not the Army; it was not the National Guard Bureau. In fact, for quite some time Congressman F. EDWARD HÉBERT, chairman of the Special Investigations Subcommittee, was unable to get anyone to come forth and admit having authored this hastily prepared plan. Finally after Congressman HÉBERT threatened to "continue the hearings until doomsday to find out what unknown spook at the Pentagon planned the cutback," it was disclosed that the plan had been drawn up by Dr. Merton Joseph Peck, a former Harvard professor, who is now Assistant Deputy Comptroller for Systems Analysis in the Department of Defense. Dr. Peck has had considerable experience in the field of economics, but his experience in military affairs was limited to 2 years in the Army during World War II, after which he was discharged as a corporal.

In the light of these facts, it is little wonder that the New York Times has said that "the reconstitution of the National Guard and the Reserves at this particular time may represent a needless waste of the taxpayers' money." For, as the Times observed:

The administration's plan gives evidence of hasty and incomplete preparation.

A new book, "Reserve Forces and the Kennedy Strategy," by the distinguished military analyst, George Fielding Eliot, has just come off the press, and I heartily recommend it to every Member of Congress. In this book, Mr. Eliot shows that this administration's proposal is no

minor matter, but a serious threat to our military posture. He says:

The proposals now put forward from the Office of the Secretary of Defense would have the effect of virtually wrecking the existing Reserve system—or, at best, keeping that system in a state of turbulence and ineffectiveness for several years to come. We do not have that kind of time to waste.

Mr. Eliot notes that the new ROAD divisional concept is not to be applied to Army Reserve and National Guard divisions at the present time. He says:

Thus, after a year or two of administrative, organizational, and training turbulence as a result of the "realignment" above described, the Reserve components would then face another complete reorganization when the Department of Defense gets around to extending the ROAD concept to the Army National Guard and the Army Reserve. The net result would be the elimination of the Army National Guard and Army Reserve as effective Ready Reserve forces for a period of several years, except for the selected units of the priority echelon.

Mr. President, this proposed reorganization of the Reserve components is being forced upon the Army by an administration which is unwilling to admit to the American people that its vast new social welfare programs are straining the budget beyond the limits of endurance. The administration has taken the easy way out. Instead of applying restraint to its new spending programs, it has chosen to disregard the advice of its own military experts and force a reduction in our military strength which in the long run may be the most costly economy this administration has ever attempted.

ANNOUNCEMENT BY SENATOR BUSH THAT HE WILL NOT SEEK RE-ELECTION

Mr. DODD. Mr. President, this morning in Hartford my senior colleague, Senator PRESCOTT BUSH, announced that he will not seek reelection to a third term in the Senate. Senator BUSH stated that he did not have the physical vigor to carry out his responsibilities in the manner in which he would like to in the next 6 years and that his doctors concurred in this decision.

This announcement will surprise and sadden his colleagues in the Senate and his countless friends and admirers in all walks of life.

The retirement of Senator BUSH will mean the loss to the Senate of one of our hardest working, most respected, and best liked Members. His gracious wife, Dorothy, whose friendship is valued by so many of us, will also be greatly missed from the Senate circle.

Throughout the years Senator BUSH and I have served together in the Senate, our relationship has been most cordial, and his attitude toward me has always been friendly and helpful. He has worked devotedly and effectively for Connecticut and the Nation, and his loss will be sorely felt by his party and by the country.

Senator BUSH has been an earnest, dedicated public servant, in the best traditions of the Senate. He has attained a stature and has set an example which

will be difficult for his successor to emulate, and which establish a goal to strive for.

All of us hope that his retirement will bring him the satisfaction and contentment that his long years of dedicated public service have so richly earned.

Mr. PROXMIRE. Mr. President, I desire to join the Senator from Connecticut in his comments. The announcement to which he has referred does surprise and shock me. I consider Senator BUSH a friend, as well as a distinguished Senator. While we have disagreed on a few issues, we have agreed on many. Senator BUSH is one of the most conscientious, fair, and hardworking men in any walk of life. I think it is unfortunate that he has decided he will not run for reelection. Not only will I miss him very much, but my wife will miss his charming and attractive wife, Dorothy.

Mr. DIRKSEN. Mr. President, I do, indeed, share the sense of surprise and shock that came when about an hour ago I first heard of the contemplated retirement of the distinguished senior Senator from Connecticut, PRESCOTT BUSH. I had no notion that was going to happen, I am frank to say, and that fact only adds to my sense of distress.

I feel distressed, first, because he has been a friend, a warm friend; second, because he has made a good and enduring contribution to the national well-being; third, because he has been diligent and devoted in his duties. He has been in every sense an outstanding Senator. He has been a scholar in his own right, and has a very special aptitude in the whole field of banking and finance, based on a very broad background. But that has not been the limit of his contributions to his fellow men. He has been very active in the church field and in charity; he had a war record in the field artillery; and he has been a gentleman in every sense of the word. These facts only heighten my distress of spirit.

I think I would like to say what a New Jersey newspaper writer said of me some years ago, when I went to New Jersey to make a speech for one of my colleagues in the House from New Jersey. At that time the newspaper said of me that I had given far more than I got. I could say of PRES BUSH today that he has given far more to this country, to his State, and to the people than he ever derived from public service, work truly well done.

Mr. JAVITS. Mr. President, I wish to join with my colleagues, first in a sense of surprise, and also in a sense of great regret that PRESCOTT BUSH, a great friend and a very distinguished Senator, has chosen to lay down this responsibility.

Mr. President, I have the honor to be associated with Senator BUSH on the Joint Economic Committee. He has brought to the work of that committee, which is so deeply influential in respect to the economics of our country, as well as its foreign economic policy, a knowledge of the workings of the banking and credit system of the world which I think is practically unique in this Chamber.

The Senate has the great advantage of having eminent men of distinguished

minds with particular talents and experience. His is such a unique talent, as to which he has been so thoroughly schooled and trained, and he has such objectivity that it has been most impressive to me and tremendously helpful to the country.

The counsel and the views of PRESCOTT BUSH in the Senate will be greatly missed, in my view. He is an outstanding Senator, a wonderful human being, and a great friend. I only hope that he may choose to use some of his leisure to continue to give the country, even in a private capacity, the benefit of his high patriotism, his fine mind, and his high character.

Mr. MANSFIELD. Mr. President, I wish to join my colleagues in the statements being made with respect to the sudden announcement of the desire of the senior Senator from Connecticut [Mr. BUSH] not to run again for the Senate. I can well understand his reasons for reaching this decision, because the duties and the work of a Senator are becoming heavier with each passing year.

Certainly no other Senator has been more faithful in the performance of his duties in representing the State from which he comes, and the United States, than has the able senior Senator from Connecticut. We wish him well in retirement. We shall miss him, because he is a fair-minded, tolerant, and understanding Senator. His place will be hard to fill.

He has reached his own decision. I am quite sure it was not an easy decision, but I know it was made not alone on the basis of his personal health, but also on the basis of the type of representation to which he thinks his State is entitled in the difficult years ahead. He has established a great and deserved reputation and his shoes will be hard to fill.

Mr. ROBERTSON. Mr. President, I wish to express my regret that our colleague from Connecticut has decided to retire from the Senate. Not only has he been a valued member of the Banking and Currency Committee, but also he has been my personal friend. The country and his State are losing a very valuable representative.

What disturbs me most about the statement Senator BUSH issued is the advice of his personal physician, that he did not think it was wise for him to make a campaign for reelection. It is disturbing when the work of the Senate breaks down the health of a man who used to be the star first baseman at Yale, so as to cause him to say he should not continue in public life.

Mr. SPARKMAN. Mr. President, I wish to join my colleagues who have expressed themselves with reference to the decision of our colleague and friend the Senator from Connecticut not to run again for public office.

It has been my pleasure, during the time Senator BUSH has been a Member of the Senate, to serve on two different committees with him, the Committee on Banking and Currency, the chairman of which has spoken regarding his membership on that committee, and also the

Joint Economic Committee, of which from time to time the distinguished Senator from Illinois [Mr. DOUGLAS] has been the chairman, and on which he has served so well.

I have enjoyed my relationships with Senator BUSH both from a personal standpoint and also from a legislative standpoint. I have found him always to be a sincere and diligent worker. He is good in his attendance at committee hearings. He always takes an active part in respect to the subject matter being considered by the Committee. He is a person with whom it is easy to work. He always has a reasonableness about him, a logical approach, a recognition of the fact that legislating is a practical problem in respect to which there must be a meeting of minds of the various persons connected with putting through the proposed legislation.

I have enjoyed my relationships with him, and I regret that he has decided to leave the Senate.

I join with the chairman of the Committee on Banking and Currency in the statement he has made about the implication in the announcement relating to his health. I trust that when he gets away from the Senate and out from under the stress and strain of senatorial work, he will find the change beneficial to him, and that he will enjoy many more years of great happiness, good health, and success in his retirement.

Mr. KEATING. Mr. President, I wish to join in the expression of regret over the decision of our colleague Senator Bush to retire at the end of this term. I believe any objective observer or assessor of the abilities of the men and women in this Chamber would be bound to place PRESCOTT BUSH very high, one of the highest. He is a man of unusual intelligence, great charm and level-headedness, and possessed of a great tolerance for the views of others. Throughout his eminent career in the Congress of the United States, he has given his State, his Nation, and his friends full reason to be proud of the high distinction that has marked his every day, his every duty, in the solemn office he has so well filled and so richly honored.

If I may speak a personal word, PRESCOTT BUSH is one of those with whom I have most frequently consulted on the vital problems which we face, particularly those in the economic field, in which he speaks with such assurance and is such an acknowledged expert.

Senators who have spoken this morning, including the distinguished junior Senator from Connecticut who was the first to voice his regret, and who has worked so closely with his colleague, have demonstrated that no lines of political activity divide or diminish in any way the very high esteem in which PRESCOTT BUSH is held by all of us who are privileged to know him, to work with him, and to assess his signal gifts of intellect, of energy, and of dedication.

It was a source of genuine regret to me to hear that some physical impairment may have dictated his decision to retire. I trust sincerely that the opinion of his doctor will soon be reversed.

I should like to sit down with that doctor, to see if I could talk him out of this decision.

Certainly the wish of all of us who over the years have been so close to PRESCOTT BUSH is that above all else any impairment in his health will soon be rectified. It is my personal hope that both he and his charming wife will continue to endow Washington, D.C., with their presence and their personalities because both of them have not only my great respect, but also my deep affection.

Mr. YOUNG of North Dakota. Mr. President, I was greatly disturbed and disheartened to hear this morning that our good friend the senior Senator from Connecticut [Mr. BUSH] has decided not to run for reelection. Undoubtedly his decision was based on good and sufficient reasons. The life of a Senator is becoming more rugged each year. It does require the best of health.

Since Senator BUSH has been carrying on his work as diligently as ever, his decision comes somewhat as a surprise to us. He is rated as one of the best Senators of my time. He has a pleasant personality and a great intellect. He is a man of good judgment. He is the kind of a Senator we can ill afford to lose. I regret very much that we shall be officially associated with our good friend, Senator BUSH, for only a few more months. I have always considered him one of my closest and best friends in the Senate.

Mr. SALTONSTALL. Mr. President, I join with other Senators in expressing my great disappointment in learning of the decision which Senator BUSH felt he had to make. I know that decision was reached only after very careful thought and full understanding of all that is involved.

Senator BUSH is a great friend of mine. I respect his judgment, and admire the ability with which he expresses his views on the Senate floor. I have respected his courage in such expressions on many occasions. I shall miss him not only as a colleague whose judgment I have long relied on, but also as a friend for whom I have come to have a feeling of fondness. I only hope that whatever he decides to do in the future will give him great happiness. We in the Senate shall miss him.

Mr. KUCHEL. Mr. President, some people call the Senate a club. In many respects it is. Perhaps, without inaccuracy, it can also be described as a family. When men and women become Members of the Senate, they work and eat together. On those rare opportunities when they can relax socially, they usually find themselves in the company of their colleagues.

PRESCOTT BUSH is universally respected by the Members of the Senate. He is a great member of the club, a great Member of the Senate family. I am saddened at the decision he feels impelled to make. I do not know whether the people of Connecticut appreciate the grueling labors which have taken so heavily of his time, but which have resulted in such a long series of great accomplishments for his State and for our country. Those Senators who will be here next year will miss

the wisdom and leadership which he supplied on many occasions during debate in the Senate. But those who will still be here will also miss his delightful and sweet personality completely free from guile. Though outspoken and vigorous, he is always courteous. He is devoted to the public interest in all the acts which he officially undertakes to accomplish.

I am sure his colleague from Connecticut will agree that every one of us looks on PRESCOTT BUSH as a very dear friend. Whether or not we are in the Senate, we shall look forward to seeing him from time to time in the years ahead. We join in wishing for him, together with his dear wife, many years of health and happiness. We shall always treasure their friendship.

Mr. COOPER. Mr. President, I am saddened by the announcement of Senator BUSH that he will not be a candidate for reelection, yet I respect his decision. He has been a faithful and aggressive advocate of the interests of Connecticut, and his retirement must bring to the people of his State a sense of great loss. We in the Senate know him as one of the great Members of this body. I think it would be agreed that he is the best informed Member of the Senate upon fiscal and monetary policies. Again and again he has raised his voice in the Senate calling for the responsible conduct of the Nation's fiscal affairs, and on many occasions the Senate has followed his counsel.

But Senator BUSH's interests have been broad and have covered the great interests of our country. He has committed his abilities and influence to our foreign affairs and he has fought for equality under the law in the field of human rights. He has made great contributions in these fields.

I shall always think of him as a man of broad and humane interests, a man of integrity, conviction, and courage, whose every act and word has spoken his sense of responsibility as a Senator.

His announcement is a sad one. I shall miss him. For many years before I came to the Senate I knew him. I have counted him as a close and dear friend, and I have also had the opportunity of knowing for many years Mrs. BUSH, a great woman.

We respect Senator BUSH's decision, although it brings loss to the Senate and to our country.

Mr. DODD. Mr. President, I thank all Senators who have spoken on behalf of my colleague. The spontaneity of expression concerning Senator BUSH is perhaps the best tribute that could be paid to him. None of us knew of his announcement beforehand. It was a great shock to me to learn of it this forenoon. Everything that has been said about him is true and comes from the heart.

I wish to add that during the time I have been privileged to serve as the colleague of Senator BUSH, never once have he and I had an unpleasant word. I am grateful to him for the fine relationship we have enjoyed and for the generous and friendly attitude of cooperation that always characterized his conduct.

We shall greatly miss him in the Senate. We shall feel the loss of his great service in Connecticut. But we are comforted in the knowledge that on retirement he will continue to give us the benefit of his friendship and advice for many years to come.

I am sure that Senator BUSH will be heartened by the many sincere tributes paid to him today, and I thank my colleagues in his behalf.

Mr. MUSKIE. Mr. President, I join in the tribute to the senior Senator from Connecticut. I have enjoyed my service with him in the Senate. In the Committee on Banking and Currency I have found him always to be able, most personable, likable, and constructive in his approach to the problems that have confronted us. I shall never forget the opportunity I have had to serve with him.

Mr. COTTON. Mr. President, I merely want to add my words to those who have spoken in the Senate this morning and to say that I was indeed sad to learn that the distinguished Senator from Connecticut [Mr. BUSH] has decided, for health reasons, not to be a candidate for reelection.

I served with him on the Public Works Committee of the Senate when I first came to this body. I have served with him in many capacities. He is one of the ablest, most useful, and honored Members of this body, and represents its very finest traditions. We shall all miss him.

Mr. PELL. Mr. President, I rise to express my own hope for a full and happy life ahead for Senator BUSH and to publicly state my own admiration for him. As graduates of the same school and possessed myself, though to a far smaller degree, of a similar business background, as a colleague on the Joint Economic Committee and as a colleague in this body, I have come to have a strong regard and to value him as a friend whose presence I shall miss in this Chamber.

MEDICAL CARE FOR THE AGED UNDER THE SOCIAL SECURITY SYSTEM

Mr. MUSKIE. Mr. President, one of the most important items of unfinished business in the 87th Congress is the proposed program of medical care for the aged under the social security system.

As a member of the Special Committee on the Aging, I have been more and more concerned by the plight of our older citizens in trying to meet the high cost of medical care. The Kerr-Mills Act program is directed at a particular segment of our older population but it does not provide the kind of broad coverage which is needed at this time.

Recently, I made a speech on the medical care program when I addressed the 75th anniversary of the Massachusetts Association of Relief Officers in Wrentham, Mass. In that April 24 appearance, I analyzed the arguments against the President's basic program and offered some answers to these objections.

Because of the general interest in the topic and because of its importance, I ask unanimous consent that the text of

my remarks be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EDMUND S. MUSKIE, DEMOCRAT, OF MAINE, AT THE 75TH ANNIVERSARY OF THE MASSACHUSETTS ASSOCIATION OF RELIEF OFFICERS, WRENTHAM, MASS., TUESDAY, APRIL 24, 1962

Tonight, instead of making a speech, I am going to tell you a ghost story. I hope you won't be too frightened.

As a youngster, I was very partial to tales of the supernatural. The Maine woods at twilight, and a campfire, were an ideal setting for the delicious apprehension that makes these stories so popular with children.

There are all kinds of ghost stories, of course. The shortest ghost story I ever heard went like this: The last man left on earth is sitting at home in infinite loneliness. Suddenly, there's a knock at the door.

My story tonight is longer, more complicated, and full of multiple haunts we have all seen and heard before. Yet they continue to frighten thousands of Americans who have faded or forgotten to apply grown-up logic to the childhood images of fear.

Most ghost stories lose their savor as we grow older because our reason tells us there really are no ghosts. But isn't it astonishing how many people can still be frightened by them?

My subject tonight is concerned with the medical needs of our senior citizens—certainly not a likely subject for a ghost story. But no specters of the campfire in the days of my youth were more unreal than some of the arguments which are arrayed against those who seek sensible and effective programs of Government action to meet those needs.

Our story begins back in the late 19th century when America really began to think for the first time in constructive terms about the welfare and social needs of our people.

State and local governments began experimenting with new ways of coping with the mass problems of the sick, the handicapped, the poverty stricken and the aged. Massachusetts itself was a pioneer in these experiments.

As the dimensions of the problem grew with our population over the years, an increasing number of Federal and State and local cooperative programs developed.

Finally, in 1935, the United States achieved the most significant social milestone of modern times by enacting a Federal program of old-age, survivors, and disability insurance which has come to be known as social security.

I might say we have put to rest a lot of very scary ghosts in the 27 years since then. Today, the principle of social welfare as a governmental responsibility is accepted by almost everyone. At least there is massive acceptance of social security to the point that one cannot seriously contemplate its repeal.

In our dynamic society, however, even the progressive solutions of a quarter century ago must be constantly reexamined and reshaped to meet contemporary challenges. And one of the greatest of these is medical care for the aged.

Two years ago, we took a forward, if inadequate, step in Congress by enacting into law the Kerr-Mills Act, which provides for increased grants to States to expand medical care services for old-age assistance recipients.

And because of the increasing numbers of older citizens who could not meet the means tests for old-age assistance but who are still unable to pay their own necessary medical costs, the same law authorized a new Federal-State medical care program for them.

Under the act, States are given wide latitude to determine the standards of eligibility and the medical benefits they offer.

Federal grants cover 50 to 80 percent of the cost, with the highest percentage going to States with the lowest per capita income.

How well is this program meeting the need? As of December 1961, only four out of every thousand aged persons in the United States were receiving any help at all under Kerr-Mills. By February 12 of this year, only 23 States and 2 territories had the AMA program in effect.

In December 1961, the number of persons covered by Kerr-Mills ranged from fewer than 50 in Arkansas, Utah, and the Virgin Islands, to 27,920 in New York. The per person expenditures ranged from less than \$100 in Kentucky, Maryland, Tennessee, and West Virginia, to \$325.28 in the State of Washington. More than 90 percent of the recipients were in five States. Moreover, of the 66,000 recipients about 30,000 were transferred directly from the old-age assistance rolls, principally in New York and Massachusetts.

Under the new Kerr-Mills programs, States were given an opportunity to use a different test of financial needs from that used to determine eligibility for old-age assistance. In 1958, studies showed that the highest annual income permitted in any State for old-age assistance was \$1,500. Most States participating in the Kerr-Mills program use a figure of \$1,500 or \$1,200 as the amount of income that a single person may have and receive medical care. Only one State permits an income of \$3,000 per person for persons needing hospitalization.

It is obvious from these statistics that States are not extending the benefits of their Kerr-Mills programs to a very large segment of the elderly beyond the level of the old-age assistance program.

Not only are their fiscal provisions limited; so too are the coverage plans. By October of last year, only six States provided some care in all five major areas of hospitalization, nursing home care, physicians' services, prescribed drugs, and dental care.

The question that faces America, then, at this point is whether Kerr-Mills is an effective and adequate answer to the problem.

This is the issue around which the current great debate on social welfare in America is now raging. It seems to me that, if this debate is to serve a useful purpose—if it is to furnish a solid base of fact and commonsense upon which we can build solid public policy—it should be addressed to at least these three questions:

1. Is there, in fact, a national problem?
2. If so, who should deal with it?
3. And, finally, what kind of program is required to meet the problem?

First of all, do we really have a national problem? Do older citizens require more care, and more expensive care, than the bulk of the population? Are they less able to pay for it?

I will try to spare you most of the statistics. But the fact is that people over 65 require nearly three times as much hospital care as those under 65. They are hospitalized more often. They remain there twice as long. Their private spending for medical care is twice that of the population as a whole. People over 65 are demonstrably less able to pay for such care. They have less insurance protection than the general population. And census data proves that 6.2 million multiple person families headed by people 65 and older live in economic conditions ranging from deprivation to poverty.

Those of us who have served in State government know there is a problem. Year after year we have been asked to subsidize the growing hospital care load attributable

to those who are unable to pay their bills. And we have had to do so out of inadequate and overburdened general budget resources. Hospitals know the problem as a widening gap between their costs and the reimbursements by public agencies. Doctors see the problem every day as the aged population increases and the number of their patients in this category snowballs. The taxpayer knows the problem as the demands on him for increasing State hospital's care double and redouble.

As final testimony to the existence of an unsolved problem, let us not forget the principal critics of the President's program—and I don't omit any of them. Recognizing that there is a national problem to which the people of America demand an answer, they themselves are scurrying about looking for one.

And so we come to the second question: "Who should deal with the problem?"

The President has given his answer in the Anderson-King bill. He is asking, as you all know, for a program of medical insurance within the framework of the social security system. He is proposing that 95 percent of the Nation's wage earners be allowed to contribute during their working years to a paid-up program of hospitalization and nursing-home care for their old age. He believes that all of us should have this means of providing for our own old age.

And this is where the scary part begins. For many of the professional and amateur critics of the President's program have conjured up a host of ghosts to frighten the Nation into social paralysis.

The ghost of socialism—creepier than all the others to those who think they see it.

The ghost of Federal compulsion—rattling its hollow threats.

The ghost of bigger Government.

And a host of lesser ghosts, rising out of the mists of unreality to intimidate the timid and the fearful.

I don't believe I need to identify for this audience the origin of most of these apparitions. But laughing them off—while useful—is not enough. Only logic, facts, and commonsense will banish them completely.

Who should deal with the problem? This is an honest question. It deserves an honest answer.

First, we see that nobody—but nobody—is making any responsible argument that Government should do it all. Certainly the President does not.

Secondly, we find that almost nobody is arguing that Government should do nothing about it.

I will concede in fairness there are seemingly a few in this category. The Senate adopted the Kerr-Mills bill in 1960, for example, by a vote of 91 to 2. The House vote was equally lopsided: 369-17. So the ratio is clear enough. Only a negligible minority of both parties in that Congress believed that Government should do nothing about the problem. I doubt that the ratio is much different in this Congress.

Thirdly, we find that nearly everybody believes Government must do some part of the job. And when I say nearly everybody I mean not only the administration and the liberal Republicans. I mean also conservative Republicans, the American Medical Association, the American Hospital Association, the Blue Cross, the Blue Shield, and just about everybody who has any pretensions to competence in this whole question.

All of these groups have clearly accepted and endorsed the principle of some Government participation under both public assistance programs and the Kerr-Mills Act.

Some are for financing under social security; others through the General Federal Treasury. Some are for strengthening the Kerr-Mills law; others are content to leave the law as it is. Some are for Kerr-Mills

plus an expanded Blue Shield program. Some are for Kerr-Mills plus an expanded Blue Cross. Some would give a Federal tax credit for private insurance premiums.

Whatever the variations proposed, they all recognize some role for the Federal Government. Even the so-called Republican conservative bill on this subject states in its declaration of purpose that "it is in the public interest to provide Government assistance and encouragement to elderly Americans who seek the protection of medical care and hospitalization."

So the question no longer is whether Government has a role in providing social assistance. The question is, rather, what that role should be. Or, more practically stated, what services should Government provide and how should they be paid for?

We have already touched on the obvious inadequacies of the Kerr-Mills Act—where it has failed or is failing. The fact is that Kerr-Mills does not assist the vast majority of the aged. And under its pauper's oath provisions the poor will have to get a lot poorer before they can be eligible for its benefits.

What, then, do we do?

The President has proposed the pending program of medical insurance under the social security system.

The opponents of this program have dragged out all the ghosts I mentioned earlier—the same old ghosts they used to fight social security 27 years ago, the same old ghosts they used in the 40's to fight voluntary health insurance, the same old ghosts they used to fight Federal health grants-in-aid when they were first proposed.

On what grounds, may we ask, do they find socialism in the administration's proposed medical care program?

Is it in Government action? Obviously not, since the principal opponents have endorsed the principle of Government action.

Is it in the services proposed? It is ridiculous to suggest, for example, that variations in the amount of hospital care provided among the various proposals somehow represent a difference between socialism and democracy.

Is it in the method of financing? Is it more socialistic to pay for these programs out of the social security system than to subsidize them out of the General Treasury? Spreading the cost of future services over a period of years has long been the American way. It is as American as our private insurance system.

Clearly, the ghost of socialism cannot stand the light of day.

What about the ghost of Federal compulsion? Which imposes greater compulsion: compulsory contributions to the social security system, or compulsory income and excise taxes which are the support of the General Treasury? And which, after all, is fairer—to spread the cost among all potential beneficiaries in a self-supporting insurance system or to force the general taxpayer in 50 States, as in the Kerr-Mills plan, to contribute to a program which operates in only 23 States?

And what of the ghost of bigger Government? Which proposal is more likely to expand in the future beyond its initial scope? On this point, the real issue is, not which proposal is adopted, but whether the services provided are found to meet the real need. Whichever proposal is adopted, the pressure for expansion will be felt if it fails to meet that need. And expansion, under any of the proposals, will mean greater Government participation.

Like all ghosts, these ghosts disappear when firelight gives way to daylight.

And then there is the ghost of inequity, which says it is not right that medical care benefits should go to the well-to-do as well

as to the poor. This ghost apparently has never bought insurance.

He doesn't know that, when the holder of a life insurance policy dies, the proceeds of the policy are paid to the beneficiary whether the policyholder or the beneficiary or both are millionaires or paupers.

He doesn't know that when a house burns down, the fire insurance policy pays benefits to the rich holder as well as to the poor.

He doesn't appreciate the fact that, to an American, it is preferable to earn these benefits as a right than to rely upon the uncertainties of general appropriations and the indignity of the pauper's oath.

Now that we have laid these ghosts let us concede that there is not just one side to this question on the merits. There is plenty of room for honest differences of opinion on issues of real substance. These differences of opinion should be aired, they should be discussed, they should be debated.

In our preoccupation with ghost arguments in this great debate, there is a danger that we will overlook the very important and very real questions which are involved in the matter of services and coverage to be provided.

There is certainly a dispute over the extent of services which should be provided. The President's program is limited to hospitalization and nursing home care. The same is true of the Blue Cross program. The American Medical Association and the Blue Shield have indicated that they feel the need for medical assistance in the medical care field. Both Republican programs offer benefits for medical care assistance and hospital care.

I submit that the appropriate answer to the question of extent of coverage and the nature of coverage will depend on what we are willing to pay for and whether or not, at this time, we are willing to provide the cost of total or partial coverage.

It seems to me that the most practical answer now would be to limit such coverage to hospitalization and nursing home care. This is the area demanding first attention, at least, because it is the area of highest costs. We should recognize that most doctors, to their credit, have provided medical care for many of those of limited income at little or no cost in many cases. I do not believe they should be called upon to bear the entire costs of the individual financial limitations which they have recognized. But since doctors do object to the proposed social security system, I am willing to leave them out at their own request.

As a former Governor, I know how futile and discouraging it can be to appropriate money year after year for stopgap measures which never come to grips with the basic problem.

Now as a Senator, I am hopeful and encouraged by the combination of compassion and practicality in the President's recommendations. I am solidly for their enactment.

Does this approach mean we are marching down the road to something alien and un-American?

As emerging problems like this one confront us, we would all do well to recall the origins of our system of government.

The victory of Yorktown, in 1783, gave us, not a system of government, but the freedom to choose a system of government. For the first time in the long history of mankind, men were free to govern themselves and to choose the means for doing so.

Their first choice was a bad one—the Articles of Confederation. With inadequate authority in the central government, there emerged, not a single, strong nation, but thirteen small and quarrelsome ones. They erected trade barriers against each other. They created competing and worthless currencies. The national interest was ignored. National problems were neglected. National prestige declined at home and abroad.

And so, men on both sides of the Atlantic raised some serious questions as to the ability of free men to govern themselves. The doubts became so strong that the veterans of Washington's armies begged him to make himself king.

When the founders gathered at Philadelphia, therefore, they were concerned, not with writing a program of government, but with creating a structure for government. They were concerned, not with inhibiting the ability of future generations to meet new problems, but rather to provide the means for our people to consider common problems and to make decisions with respect to them. They understood that a free society could not produce political stability unless its citizens could aspire to happiness and had the means to work toward it.

When their work was finished, men of such divergent political philosophies as Hamilton and Jefferson could look at it and call it good.

Decades later, not long before his death, Jefferson found it possible to write to a friend on the other side of the water, with a detectable note of triumph:

"We have demonstrated on this continent that a government so constituted as to rest continually upon the will of the whole society is a practicable government."

And that has been the common denominator of our public policy since the founders met at Philadelphia—our system of government has made it possible for us to find and implement practical answers to all of the great variety of new and emerging problems with which we have been confronted. To achieve this happy result, we have used the means, governmental or non-governmental, best suited to each new task. On the basis of our total national experience, we should not be afraid to use either of these means, or a combination of them, to meet the problem I have discussed tonight. The test to be applied is a simple one: "Which is best suited to the task?"

POSTHUMOUS AWARD OF CIVIL LIBERTIES AWARD TO THE LATE SENATOR HENNINGS, OF MISSOURI

Mr. LONG of Missouri. Mr. President, no man more dedicated to the preservation of civil liberties than the late Senator Thomas C. Hennings has ever stood on the floor of this Chamber.

In recognition of his many years of effective efforts in this field, the St. Louis Civil Liberties Committee has posthumously bestowed its 1961 Civil Liberties Award upon the late Senator Hennings. The citation which accompanied the award, a stirring testimonial to our beloved friend and colleague, is, I believe, worthy of the widest circulation and reading, for it is a clear and thoughtful documentary of a great man's fight for a great cause.

Mr. President, I ask unanimous consent that this citation be printed in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

SENATOR THOMAS C. HENNINGS, JR.

The St. Louis Civil Liberties Committee makes a 1961 Civil Liberties Award to the late U.S. Senator Thomas C. Hennings, Jr. In recognizing the monumental contribution of the late Senator to an America of constitutional rights, the St. Louis Civil Liberties Committee does not intend to picture the Senator as a lone fighter, but rather as representative of the most noble in this

Nation. The late Senator was a protector of rights, not only of the people of the State he represented, but of the inarticulate wherever they lived, who have never heard and will never hear of Senator Tom Hennings. Senator Hennings fought for all.

His resolute voice spoke up on a host of issues, all of immediate concern today: clean elections, the right to travel, freedom of information, unreasonable searches and seizures, confessions and police detentions, separation of church and state, inhuman deportations and exclusions of refugees, wiretapping, and for many other civil and human rights. He led the Senate in the creation of the Special Judiciary's Subcommittee on Constitution Rights, which investigated the campaign methods of a fellow Senator, a destroyer of freedom, and which contributed greatly to that Senator's ultimate censure by the Senate.

On his deathbed Senator Hennings declared "I have faith in my fellow citizens." In bestowing this award posthumously to Senator Hennings, a scholar, a statesman, and a fighter for liberty, we promise to measure up to this testament.

ENTRY OF COMMUNIST MAIL INTO THE UNITED STATES

Mr. GOLDWATER. Mr. President, my office has received much mail over the past year from my own State of Arizona and from almost everywhere else in the United States protesting entry of Communist mail into the United States and protesting the lack of action to do something about this situation which I consider intolerable.

Recently the House in passing the postal rate bill, H.R. 7927, now before the Senate Post Office and Civil Service Committee, provided under section 12 of this bill that the postal service will not deliver Communist propaganda originating abroad under the Universal Postal Union arrangement which Russia and other Communist governments have unilaterally voided. The Senate committee must pass on this provision, but I believe there is an abundance of evidence which shows beyond any doubt that a clampdown on Communist propaganda coming into this country is a must, and I offer the following as evidence in support of section 12 or a similar provision.

Mr. President, recently I received from a constituent of mine, who has adopted a Korean girl, Communist North Korean propaganda which he informs me is being sent to great numbers of Korean students now in the United States. The excerpts are from the Peoples Korea, printed in Tokyo, Japan, and sent by airmail to the United States. I ask unanimous consent that three excerpts from this paper follow my remarks in the RECORD as they are very illustrative of the vicious type of mail we are allowing to come into this country and which is directed toward undermining our efforts to defeat communism: First, U.S. imperialism branded as foe of African people; second, WFTU calls for firm solidarity with Korean people—expressing firm solidarity with the Korean workers and people on the occasions of the 12th anniversary of the United States imperialists' provocation of aggressive war against the Korean people; and third, Korean-Cuban friendship agricultural co-op setup.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

U.S. IMPERIALISM BRANDED AS FOE OF AFRICAN PEOPLE

Minjoo Chosun of March 25, organ of the DPRK government, comes out with an article captioned "U.S. Imperialism Is the Enemy of the African People Fighting for National Independence and Freedom."

Referring to the national liberation struggle of the African peoples which is gaining in strength and scope under powerful influence of the socialist camp the article points out that the U.S. imperialists are desperately pouncing upon the African "treasure house" by sinister and nefarious means and methods after the old colonialists who had squeezed Africans for 300-odd years were ousted by the protracted, stubborn and uncompromising struggle of tens of millions of African people.

The article exposes the cunning trick of U.S. imperialism and its political agent Kennedy, and says: In the disguise of the "friend" of "anticolonialism," they are stretching aggressive claws to Africa, holding out "aid" as a bait and spreading there the networks of military bases and suppressing the national liberation struggle while invading there ideologically.

The U.S. imperialists are colonialists more vicious and ferocious than the old colonialists, and are the ringleaders of those trying to strangle the independence of African countries and the sworn enemy of the African people.

The centuries of history of the African people shows that there can be neither co-existence nor cooperation between the colonial plunderers and colonial peoples and that the national cause can be accomplished only when a resolute, protracted struggle including the armed struggles is waged without the illusion about imperialism.

The aggressive scheme of U.S. imperialism to establish a new colonial system will doubtlessly be smashed to smithereens before the unbending, vigorous struggle of the people in the African Continent.

ANTI-UNITED STATES, ANTIDICTATORSHIP STRUGGLE IN LATIN AMERICA SUPPORTED

The anti-United States, antidictatorship struggle in Guatemala and other Latin American countries such as Venezuela, Peru, and Dominican Republic which is developing into an armed struggle is a righteous struggle of the Latin American peoples to liberate their countries from the aggression and yoke of U.S. imperialism, says Pyongyang Shinmoon of March 24.

The anti-U.S. sentiments pent up for more than two centuries are now bursting out under the influence of the Cuban revolution. "Let's defend Cuba," is the militant slogan the Latin American peoples are unanimously holding up in their anti-United States, antidictatorship struggle.

Now the U.S. imperialists are desperately trying to strangle the historical anti-United States, antidictatorship struggle of the Latin American peoples and keep their indignation from exploding.

However, with no desperation can U.S. imperialism smother the struggle of the Latin American peoples who have risen up with arms in their hands.

WFTU CALLS FOR FIRM SOLIDARITY WITH KOREAN PEOPLE

(The World Federation of Trade Unions recently called upon the national trade union organizations and international industrial trade unions to make preparations for expressing firm solidarity with the Korean workers and people on the occasions of the 12th anniversary of the U.S. imperialists' provocation of aggressive war against the Korean people on June 25, 1950, and of the

9th anniversary of the conclusion of the Korean Armistice Agreement, according to information from Prague.)

Issuing the appeal, the WFTU evinced the firm conviction that the working people and trade unions throughout the world would express firm solidarity with the workers and people of Korea.

The WFTU recalled the fact that the World Trade Union Congress held in Moscow at the close of last year adopted a special resolution on the Korean situation, calling upon the working people and trade union organizations the world over to demand the immediate withdrawal of the U.S. imperialist troops from South Korea and express solidarity with the Korean workers and people in their fight for the peaceful unification of the country.

Condemning the intrigue of the "South Korea-Japan Talks" hatched by the Japanese militarists and the South Korean military clique at the instigation of the U.S. imperialists, the WFTU said:

In South Korea, the military Fascist dictatorship is becoming further venomous and the political and economic crisis is aggravating to the extreme. The living conditions of the people have become more unbearable and the rights of trade unions or democratic freedom practically do not exist.

But under these difficult conditions the working people and the rest of the South Korean people are resolutely waging a heroic struggle, not succumbing to exploitation and oppression.

KOREAN-CUBAN FRIENDSHIP AGRICULTURAL CO-OP SETUP

PYONGYANG, March 20.—The members of the Whasung Agricultural Cooperative in the Ryongsung district of Pyongyang held yesterday a general meeting and decided to rename their cooperative the Korean-Cuban Friendship Agricultural Cooperative.

Delivering the report at the meeting, Managerial Chairman Shin Jai Bin said that the change of the name of the cooperative to the Korean-Cuban Friendship Agricultural Cooperative is an expression of the deep friendship the peasants of the cooperative cherish toward the Cuban people, and will contribute to the further strengthening and development of the friendly relations between the Korean and Cuban peoples.

RESOLUTION OPPOSING PROPOSED CUTS IN ARMY NATIONAL GUARD

Mr. FONG. Mr. President, on May 11, the Department of Hawaii, Veterans of Foreign Wars, meeting in annual convention, unanimously adopted a resolution opposing the Defense Department's proposed reductions in Hawaii's Army National Guard, which would entail disbanding the Guard's 227th Engineer Battalion, our sole engineer battalion.

As the resolution points out, "the bitter lessons of World War II, beginning with the attack on Pearl Harbor and other Oahu bases by Japanese bombers emphasize the grave danger of reducing the Armed Forces available for instant action in Hawaii."

Mr. President, these men have seen service with the Active Forces, some in World War I, some in World War II, some in the Korean war, and some in both World War II and Korea. They speak with the authority and wisdom that come from harsh experience. We should heed their counsel.

As I see it, Mr. President, it is most unwise to reduce the Army Guard and Reserve forces in Hawaii. Situated in

the mid-Pacific Ocean, Hawaii is the westernmost U.S. military outpost, a first line of America's defenses. The heart of our farflung Pacific military forces is sited in Hawaii. Army troops of the 25th Infantry Division from Hawaii are already in Thailand destined for the Mekong River area, where it is hoped to halt Communist encroachment. More troops are to leave Hawaii to bolster our soldiers already in southeast Asia.

In view of the upheaval in that troubled area, this is certainly no time to disband Reserve forces which supply backup support for the Regular Army. Hawaii needs every man and every unit of the Guard and Reserves. Our Nation's security depends upon full-strength Reserve components. This is a most unwise time to invoke cutbacks.

Mr. President, I ask unanimous consent to insert in the RECORD at this point the full text of the VFW resolution:

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE CONVENTION OF THE DEPARTMENT OF HAWAII, VETERANS OF FOREIGN WARS, 1962

Whereas President Kennedy has announced plans to release large numbers of reservists and national guardsmen in early August;

Whereas it is feared in Hawaii that this release of national guardsmen will be, in effect, an overall reduction of the National Guard in Hawaii;

Whereas the reduction and reorganization plan announced by the Chief of the Army National Guard Bureau would involve the disbanding of the only engineer battalion in the Hawaii National Guard—the 227th Battalion, of 370 men, here;

Whereas in no part of the United States more than in Hawaii is it advisable and necessary to maintain National Guard strength and to continue preparations for additional National Guard enlistment in times of crisis;

Whereas the bitter lessons of World War II, beginning with the attack on Pearl Harbor and other Oahu bases by Japanese bombers emphasize the grave danger of reducing the Armed Forces available for instant action in Hawaii;

Whereas the Department of Hawaii of the VFW includes many men who served with the active U.S. forces in World War I and World War II and in the Korean war;

Whereas it is the immemorial motto of the VFW to be prepared to defend our country at all times: Now, therefore, be it

Resolved, That the State convention of the VFW at Honolulu, Hawaii, May 10-12, 1962, by this resolution goes on record as opposed to any National Guard cut, and particularly to the disbanding of the National Guard Engineer Battalion here; and be it further

Resolved, That copies of this resolution be sent to the President of the United States; to the Secretary of Defense; to the President of the U.S. Senate and the Speaker of the U.S. House; to the chairman of the U.S. Senate Armed Services Committee and the chairman of the House Armed Services Committee; and to Gov. William F. Quinn of the State of Hawaii.

CONSTITUTIONALITY OF PROPOSED LITERACY TEST REQUIREMENT

Mr. WILEY. Mr. President, 6 years ago a prominent Republican in the State said that he would not vote for me because I would not take orders.

I thought of that today because I voted last Thursday against cloture involving bill S. 2750—literacy test—introduced by the majority and the minority leader.

Then, over the weekend I happened to be out in my State and upon my return here on Monday morning I found a number of wires from folks telling me how to vote. They were good people, representing significant organizations. However, when the issue came up again on Monday, I voted as I had before.

Recently I had occasion to quote that famous English statesman, Edmund Burke, who when asked about his relations with his people said:

You must pay attention to them and give heed to and counsel with them, but at long last, when it comes time to best serve your constituency, then you must render your independent judgment, based upon your conviction, for if that fails, you do indeed betray your people.

This has been part of my political philosophy long before I came to the Senate.

It will be noticed that he uses the word "conviction." I have a sincere conviction in relation to the constitutionality of the bill in question. But I am not the only one. Such eminent constitutional experts as Rev. Francis James Conklin, of Gonzaga University Law School; Brooks Cox and J. Warren Madden, of Hastings College of Law, University of California; Paul G. Kauper, of University Law School; Robert G. Dixon, Jr., George Washington University Law School, and many others express doubts as to the constitutionality of the bill. Numerous Governors and attorneys general likewise express doubt. These are all found in the hearings.

Now this does not mean that I condone or overlook the crimes that are committed in certain places in this country, in denying qualified citizens the right to vote. The passage of this measure would not correct the situation. Let the Attorney General get busy—it is his job.

We all know what the Constitution provides, in section 2, clause 1:

The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

In other words, the basic law of this land provides that it is the job of the State and not the job of the Federal Government, unless, of course, the rights of American citizenship are impinged upon or interfered with by officials of the State.

There are Federal statutes to protect the voter against such action. It is the business of the Federal Government to handle this situation when the State government will not perform its duties. The passage of the bill in question which would make the literacy test, namely, a sixth grade education, the qualification, would not simplify but would, as has been suggested by those whose names I have quoted, complicate the situation.

If it is claimed that the bill would rest on the 14th amendment, it could only be applicable as respects such action. If

it is claimed that the bill would rest on the 15th amendment, it must be directed against persons acting under color of law, State or Federal, and it must relate to the denial, by such persons of a citizen's right to vote because of race, color, or previous condition of servitude.

This bill is not necessary. There are criminal statutes to protect the right of the citizen. All that would be accomplished would be to precipitate action involving the constitutionality of the measure.

It would not relieve the Federal Government from looking after the big issues, of maintaining the peace, keeping the Communists from taking over, and looking after the budget, or its duty to protect its citizens.

Within the purview of the law as it is, we should leave State legislatures alone so far as possible and let them look after what the Constitution says is their business, namely, the qualifications requisite of the electors of the most numerous branch of the State legislature.

I realize that the foreign affairs of this country are in the hands of the Chief Executive, and that he will need the best brains he can summon to his side.

Domestically, we of the Congress have a big job looking after that angle of the Government. Therefore, we should not, unless necessary, interfere with the great instrument which our forebears formulated, with its checks and balances. It has kept this country safe and sound through many generations.

THE TRAGEDY IN LAOS

Mr. MUNDT. Mr. President, in these days of disappointing and disturbing news dispatches from Laos the following editorial from the May 22 issue of the *National Review* is of both historic and current significance.

I ask that it appear in the body of the *RECORD* at this point. It is entitled, "How Wrong Must You Be?"

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

HOW WRONG MUST YOU BE?

On Sunday, May 7, W. Averell Harriman, Assistant Secretary of State for Far Eastern Affairs, was interviewed by Senator KENNETH B. KEATING on the TV program, "Let's Look at Congress." Mr. Harriman unconditionally defended—as he has from the beginning—the administration's program calling for a united front regime of Communists, neutralists, and pro-Westerners as the solution to Laos troubles. In that way, Mr. Harriman declared, Laos could be kept at peace and neutralized. The Communists "would like to see that area kept neutralized" because "it's not an attractive piece of real estate and Laos has only about 2 million people." He further endorsed the accepted State Department belief that the Russians need a neutral, peaceful Laos because they "want to keep the Chinese out."

(It was Mr. Harriman who cut off U.S. subsidies to the present Laotian Government 3 months ago, in order to force the pro-Western Lao to accept a coalition government in which Communist nominees would occupy the ministries of war and security, and who has been conducting a continuous campaign of political pressure ever since.)

On "Meet the Press" that same day, Walt Whitman Rostow, Chief of the State Department's Policy Planning Board, made the same analysis and defended the same policy. "A neutral [united front] government" is "the best bet" for Laos.

The following day, May 8, the Communists made their comment, after their fashion, on the analysis, recommendations, and predictions of these two officials charged with responsibility for what we are doing in southeast Asia. The Communist reply was made, however, not over TV but in the field, in the key strategic town of Nam Tha. Nam Tha, under Communist siege for some while, was overrun by a massive attack launched by a combined force, estimated at four battalions or more, of Laotian Communists (Pathet Lao), North Vietnamese and Red Chinese—supplied in part, as usual, by Russian planes.

THE DEPLOYMENT OF U.S. TROOPS IN SOUTHEAST ASIA

Mr. JAVITS. Mr. President, I believe a word should be said about the decision of our President to send American troops to the border between Thailand and Laos. Such a decision is always a very difficult and trying one for any American President to make.

Serious responsibility is involved in the employment of the Armed Forces of our Nation, because of the commitment it implies if the reaction against it is a military one.

Therefore, I have always made it a practice, where I agree, to support the President, because in these situations it is our duty to do so, when we occupy such responsible positions, as we do, in the Senate. Therefore, I express my support of the President in this action.

From what we can learn from the reports on the subject, the deployment of our forces along the border of Thailand is being taken in a temperate and considerate way, since we are completely identified with Thailand in terms of the Southeast Asia Treaty Organization.

I believe it is extremely important that when we take measures of this character, we should operate, if possible, within the ambit of our defense agreements with the Southeast Asia Treaty Organization, because southeast Asia is now becoming more and more a critically important defense area.

At the same time that we back the President in his very serious decision, let us understand the importance of unity in terms of the defense of Thailand and Pakistan and our other strong allies, like Malaya and the Philippines, in that area of the world. We would hope that a nation like Burma would see its own security and independence involved here; as well as India, that great counterweight on the Communist Chinese.

Therefore, in terms of the heavy responsibility of our President, the prudence of the approach to it, and the critical importance of demonstrating that we mean to implement our security arrangements in this great regional defense organization, seriously, with purpose, and with men and materials, when the situation requires it, I believe the President is entitled to our support.

It is our duty, I repeat, to express and give him that support when he makes so

critically serious a decision as the one which he has made now. I consider it an honor to do so today.

THE POINT REYES NATIONAL SEASHORE

Mr. KUCHEL. Mr. President, last year the Senate approved legislation authorizing the Point Reyes National Seashore in California. This is splendid legislation in the interest of the people. The sponsors of the legislation are members of both parties. The recommendations of the executive branch of the Government and the government of California were unanimous. The bill was sent to the House of Representatives. It was approved by the Committee on Interior and Insular Affairs in the House, and is now before the Committee on Rules.

In the San Rafael Independent Journal of April 14, 1962, on page 14, there appears the following advertisement:

CONGRESS NEAR ADJOURNMENT—OPTION YOUR DRAKE'S BAY LOT NOW

You can put a "hold" on a fabulous Drake's Bay homesite until you're sure it will remain private property.

Despite years of threats and thunderous publicity, the Point Reyes National Seashore bill has not yet passed, and Congress adjourns in not too many weeks.

Drake's Bay unit No. 2 just recorded. Dramatic view lots overlooking the deep blue bay and the beautiful white cliffs of Point Reyes. The find of a lifetime.

Be safe—option your lot now—complete your purchase after the national seashore washes away.

From \$5,500. Attractive terms.
DRAKE'S BAY ESTATES, INC.

The question is whether the public interest or the private interest will be served. The public interest is served by this legislation. A handful of greedy people want to gobble up the land involved for the benefit of a few. I sincerely hope the bill will be approved by the House of Representatives.

I rise merely to say that with all my heart I hope the House of Representatives may quickly and speedily approve the Point Reyes legislation to establish in the public interest the Point Reyes National Seashore, and prevent a few speculators from destroying what the people of this country ought to enjoy. The Congress is not that near adjournment, as the advertisement wrongly states.

TRIBUTE TO THOMAS HART BENTON

Mr. SYMINGTON. Mr. President, on May 12 the town of Neosho, Mo., paid tribute to its most famous native son, Thomas Hart Benton. Although he left his birthplace at the age of 17 to launch a career taking him all over the world and destined to make him America's most famous mural painter, Thomas Hart Benton is in every sense a product of Missouri.

After an absence of over 50 years, Artist Benton was given a true hero's welcome, not only by other famous Missourians such as former President Truman, but by the entire population of

Neosho, young and old alike, those who knew him and those to whom he was only a legend.

Throughout the day's festivities, his untiring enthusiasm and youthful vigor proved, without a doubt, that the spirit of this great man is as ageless as his art.

Mr. President, I ask unanimous consent that an article from the Sunday, May 13 issue of the Kansas City Star reporting on Tom Benton's return to Neosho be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A HERO TO HOME FOLKS—CELEBRITY TOM BENTON HAS HIS BIG DAY—ARTIST STRIDES BRISKLY THROUGH EVENTS HONORING HIM AT NEOSHO, MO.

(By Robert K. Sanford)

NEOSHO, Mo., May 12.—Thomas Hart Benton danced the Pawnee 2-step with an Indian woman today, clapped encouragement to some folk singers, was feted at a dinner for 500, and held a press conference that included side remarks by Harry S. Truman.

These things were all part of the Tom Benton home-coming celebration here that for the day doubled the population of this Ozark city of 7,500.

FAST-STEPPING DAY

The 73-year-old artist strode through the festivities with a pace that found younger followers lagging. Through it all, he swung a gold-tipped walking stick that is his as a Missouri squire.

And that's the role he played here, the cheerful squire being honored by his friends.

His Indian dance, which was impromptu, followed an exhibition of war dances, eagle dances and circle dances by a troupe of Pawnee Indians from Pawnee, Okla.

The exhibition was on the program, Artist Charles Banks Wilson of Miami, Okla., explained, because as a boy around the turn of the century, Benton used to travel into the Indian territory of Oklahoma on hunting and fishing trips.

Benton watched the exhibition from a reviewing stand and applauded enthusiastically. At the end Mrs. El Fields, one of the dancers, walked up on the stand and took him by the arm.

RESPONDS TO CALL

He went with her down to the circle on the courthouse square here and danced around it with her as the drums played and the singers chanted.

From the Indian dances he was led to another side of the square to hear folk singers perform. He was escorted by two young women in dresses of 1912, the year he left Neosho.

To the girls on each arm, he said, "This is just like it was when I was a boy here. There were always more girls than boys, so the fellows always had two girls."

He cheered the singers, who stood on a truck and sang tunes such as "Black Mountain Rag," and "The Jealous Lover of Lone Green Valley."

At the press conference about 30 newsmen waited.

He made these observations:

He was gratified at all the fuss that was being made over him at the celebration.

In general, American art has been moving away from meaning and he has opposed this, believing it should turn back to America and subjects that mean something to Americans.

NO SOCIAL CLIMBER

He is cheered by the Kennedys' efforts to promote interest in the arts, but he personally doubts whether an artist would feel quite at home in the upper reaches of so-

ciety. The kind of society that he was in in Neosho today was good enough for him, he said.

For a moment in the press conference, there was a lull in the questions, and Benton suggested that Mr. Truman, who was in the room, might like to come to the platform with him.

Mr. Truman told the newsmen that he was a guest of Thomas Hart Benton, "the greatest living American artist," and he didn't think it would be fair for him (Truman) to talk about politics at Benton's celebration. Then he sat down.

A reporter asked Benton to comment on the Benton paintings in the special home-coming art exhibition here, and asked him if he would sell the large nude painting, "Persephone."

"Sure I would sell it, if I could trust the buyer to pay me the money in a few years," Benton said, referring to income tax advantage of receiving payment in small parts.

To this answer, Truman remarked: "He means the Government would take it all away from him."

Benton was asked about his interest in politics, and he said he had never run for office and he didn't believe he should comment on politics because "there are so many Republicans around here."

Truman said, "They can be beaten and they have been in the past."

To this, Benton added: "I like them anyway, as long as they sing folk music the way they do."

At Benton's dinner tonight at the high school, Mr. Truman wished Benton the happiest day of his life, and when the artist arose to speak, he agreed that it was.

"Such an honor comes to a man not once in a coon's age," Benton said, "and it don't never happen to artists."

He did not believe that such an American-slanted art form as he had tried to create was old fashioned nor chauvinistic, Benton told the group, adding that "Some take a dim view of the art I have tried to make, and have even questioned the propriety of such an art."

Other speakers at the banquet were Dewey Short, former Republican Representative from the Seventh Missouri District, and Justin C. Ruark, presiding judge of the Springfield Court of Appeals, whose father formerly was a law partner of Benton's father.

CONGRESSMAN RICHARD BOLLING RECEIVES DEMOCRACY IN ACTION AWARD

Mr. SYMINGTON. Mr. President, last month the distinguished Congressman from the Fifth District of Missouri, RICHARD BOLLING, received the Democracy in Action Award of the annual assembly of the St. Louis Council of the American Jewish Congress.

Congressman BOLLING received this award in appreciation and recognition of his outstanding work as a member of the U.S. Congress, in furthering the ideals of liberty and justice for all, regardless of race, religion or national origin.

There is no one in the Congress more deserving of this award. Those who know DICK BOLLING know also of his fine work in behalf of the liberties and rights of all citizens.

Kansas City and all Missouri are very proud of this latest recognition of this American statesman.

I ask unanimous consent that the comments of Mrs. Paul Brown, on presenting the Democracy in Action Award, be printed in the RECORD.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

DEMOCRACY IN ACTION AWARD BY AMERICAN JEWISH CONGRESS, ST. LOUIS COUNCIL, MISSOURI STATE REGION

(Presented by Mrs. Paul Brown, secretary, Kansas City area, American Jewish Congress chapter, April 9, 1962, Temple Shaare Emeth)

I am extremely flattered that I have been asked to come from Kansas City to make this presentation on behalf of the St. Louis Council of the American Jewish Congress, particularly when the recipient happens to be my Congressman.

I am so proud that you, Dick, have been chosen for this tribute, because the Democracy in Action Award is always bestowed on the individual or institution who, by deed as well as by word, has contributed most to the goal of full equality in a free society for all Americans, a goal that includes the right to be like everyone else—with full and equal opportunity for all; and the right to be different, to give full expression to the cultural and spiritual heritage in which all of us as descendants of immigrants take full pride.

You are truly deserving of this recognition; your voting record proves that you have been a dedicated leader in finding the means for a successful balance between idealism and realism. You have been a sincere and conscientious Representative who has had the power of his convictions; you have diligently, quietly, and effectively found the means to support and promote legislation which advances the concept of human dignity.

Your leadership in the House has won new eminence and I know from past experience that your liberal outlook is deeply ingrained with sincerity.

We of the American Jewish Congress have long been impressed with your concern for the Nation as a whole, and for all its people. Your interest in civil liberties and civil rights legislation, so important to the ideals of the American Jewish Congress, is outstanding; this interest has served as an inspiration for our entire membership and has made you the logical choice for this honor.

As far back as 1946, before you had any idea of entering the political scene, I can recall your active leadership in helping to make it possible for our local university to open its doors to Negroes for the first time. This required courage at a time when this issue was an unpopular one. Yes, I have long felt that were it possible to elect a national Representative at large, you would win with millions of votes to spare.

To me, RICHARD BOLLING is symbolic of the modern, alert, dedicated and intelligent statesman, so necessary for the uncertain times in which we live. With integrity and insight, he has gained recognition and stature as a leader of his party. Because of his ability and resourcefulness, he has been successful in gaining the support of Republicans and independent voters alike. To us, he personifies "democracy in action."

We are fortunate that DICK BOLLING is young, yet wise in experience; that he is dedicated to justice for all individuals, regardless of color, religion, or national origin; and, most important, that he has many years before him for continued dynamic leadership in the spirit of the American tradition, designed to achieve new meaning and new dimensions for equal opportunity.

It is with deep humility and genuine respect that I now present this award to you, RICHARD BOLLING, on behalf of the St. Louis Council, Missouri State Region, of the American Jewish Congress.

CHARLES H. HECHLER

Mr. SYMINGTON. Mr. President, I rise to pay tribute to an outstanding native of Missouri, Mr. Charles Henry Hechler, whose death occurred last week.

Born in Dalton, Chariton County, Mo., on July 8, 1881, Mr. Hechler lived a rich and full life to the credit of his community and country. He was a graduate of the University of Missouri, where he specialized in animal husbandry. At the university, he made an outstanding record and was asked to remain on the faculty after his graduation to teach animal husbandry.

It was not long before Mr. Hechler gained a wide reputation as a judge of horses, and as an expert in cattle and livestock. In 1907, Mr. Hechler's abilities were called to the attention of Clarence H. Mackay, the president of the Postal Telegraph & Commercial Cable Co., and Mr. Mackay asked Mr. Hechler to come to Roslyn, Long Island, to manage his 600-acre farm and estate.

Continuing his agricultural activities, Mr. Hechler helped organize the Nassau County Farm Bureau and pioneered in crop development in the Long Island area. He raised a fine herd of Guernsey cattle, and was elected secretary-treasurer of the New York State Guernsey Breeders' Association. Mr. Hechler's fine Missouri training enabled him to become a noted exhibitor of prize bulls.

Mr. Hechler's parents, Mr. and Mrs. George Hechler, came to Dalton, Mo., after the Civil War. George Hechler grew up in Marietta, Ohio, and fought as a corporal in the Civil War, being wounded at the Battle of Antietam. George Hechler was active in the field of education as president of his local school board, chairman of the board of elections, chairman of the board of trustees of his church, and vice president of the local bank. The wide and varied civic activities of Charles Hechler's father inspired the son to engage in many community activities.

For eight 3-year terms, Charles H. Hechler served on the board of education in Roslyn, N.Y., the last 6 years of his service being as president of the school board. Mr. Hechler was one of the organizers of Troop 1, Boy Scouts of America. He was a charter member of the local Kiwanis Club. He was master of his Masonic lodge. He was elected 4 times by an electorate which grew to 200,000 as a member of the council of the town of North Hempstead. He served for 21 years as village clerk and treasurer of the incorporated village of East Hills. He was a member of the planning board of the town of North Hempstead. For 30 years he served as director, then vice president, and chairman of the board of the Roslyn National Bank & Trust Co. He was chosen by the New York State Legislature to be a member of the New York State Theodore Roosevelt Centennial Celebration Commission.

Mr. President, in 1909 Charles H. Hechler was married to Catherine Elizabeth Hauhart, of Ballwin, St. Louis

County, Mo., and Mrs. Hechler and her two sons, Charles H. Hechler, Jr., and Ken Hechler survive. We all know the Honorable KEN HECHLER, who is serving his second term as a Member of the House of Representatives from the Fourth Congressional District of West Virginia.

Mr. Charles H. Hechler is also survived by another distinguished Missourian, W. Roy Hechler of Dalton, Mo., the brother of Charles H. Hechler. Roy Hechler has been farming at his parents' homestead since 1919. He served as treasurer and president of the Chariton County Farm Bureau. He was a member of the executive committee and vice president of the Missouri State Farm Bureau. He was president of the Missouri Seed Corn Growers' Association. During the Franklin D. Roosevelt administration, Roy Hechler was appointed to administer the U.S. crop insurance program in Missouri. In keeping with the tradition established by his father and his brother, Roy Hechler served for 15 years as president of his local school board. For 17 years, he was chairman of the Chariton County Highway Commission.

Mr. President, Missouri is proud of the Hechler family and its record of community and public service. Missouri is proud that one of West Virginia's distinguished Members of Congress has his roots deep in Missouri soil. While we mourn the passing of Charles H. Hechler, we salute his unselfish record of service to his country.

AMERICAN TRAVELERS AS ROVING AMBASSADORS

Mr. PELL. Mr. President, after completing his recent tour abroad, the Attorney General pointed out that every American traveling abroad is a roving ambassador. Our service people who live abroad are, in fact, permanent ambassadors.

In this connection I was very pleased to read in the Providence Evening Bulletin of April 19 that the European Congress of the American Parent-Teachers' Association recently held its annual convention in Paris. This association is the PTA movement for 250,000 schoolchildren whose parents live on U.S. military bases from Iceland to Ethiopia. It is highly significant that this year's convention was the first convention not held on an American base.

Mr. President, I know from my own experience in representing our country abroad that far too many Americans tend to live in isolated ghettos when they serve overseas, thereby missing a golden opportunity for them and their children to learn more about their host country and to create a better understanding of our country. At the European Congress of the American Parent-Teachers' Association the delegates themselves expressed an awareness that they had been too clanish in the past and had not mixed enough with residents of their host country.

The delegates to the convention of the European Congress of American Parent-

Teachers' Association are to be congratulated for adopting a constructive program designed to make them better ambassadors and I ask unanimous consent that an article which appeared in the Providence Evening Bulletin of April 19, 1962, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOO SNOBBISH, OVERSEA PTA AGREES

PARIS.—Shunning flashy tourist spots, 200 American PTA delegates from U.S. military bases met in a dreary workers' district of east Paris this week.

For the 3 days of their convention they passed up the fole gras and champagne and lived in the breadstick and cheese atmosphere of the ordinary Frenchman. They held long sessions of searching self-criticism and scolded each other for being too typically American abroad.

Result: The delegates voted to take the lead in breaking down social walls Americans build between themselves and the natives overseas.

The workers' district hotel was chosen as the convention site by the directors of the European Congress of the American Parent-Teachers Association—the PTA of 250,000 schoolchildren, parents, and teachers living on U.S. military bases scattered from Iceland to Ethiopia.

It was the first time the association has held a convention away from an American base. There wasn't even a PX nearby.

The delegates agreed they and their kind have been too clannish, too snobbish, and too stubborn to mix with the people of the countries where they are stationed for 3 or 4 years.

Because of this, they agreed, precious opportunities for their children to gain foreign experience and understanding are largely wasted.

The convention keynoter, U.S. Ambassador James Gavin, called the typical American service family "too reticent, too afraid, too lethargic."

Mr. Gavin said service families stick too much to themselves "because it is easier that way." He was sharply critical of those—admittedly the majority—who make no effort to learn the local language.

The convention approved a program calling for PTA leadership at the bases to bridge the social gulf between the service families and the people of the host country.

The organization for the first time also chose an enlisted man as its president—Navy Chief Quartermaster Arthur W. Lewis, 35, who is stationed in Naples, Italy.

U.S. DIPLOMACY AT THE CROSSROADS

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with my remarks, an extraordinary speech delivered by a very gifted and very great American. The speech is entitled "U.S. Diplomacy at the Crossroads." It was a Founders' Day speech, delivered at Occidental College, Los Angeles, on April 25, by the Honorable J. D. Zellerbach, chairman of the board of the Crown-Zellerbach Corp., and formerly U.S. Ambassador to Italy, and formerly head of our Marshall plan aid mission in Italy. His speech is one of the most extraordinary and most gifted speeches I have read for a long time.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

U.S. DIPLOMACY AT THE CROSSROADS

(Address by J. D. Zellerbach)

It is a very great privilege to be invited to join Occidental on this 75th anniversary of the founding of the college. Occidental has made a vital contribution to the traditions and the growing influence of the liberal arts college of this country. May I offer heartfelt congratulations to President Coons, the faculty and the board of trustees on the anniversary and the years of achievement it represents, and wish Occidental a fruitful and rewarding future in its continued service to American higher education.

Some months ago, when I was honored with your president's invitation to speak on this occasion, I replied that my subject would be "United States Diplomacy at the Crossroads." I was also tempted to add a subtitle that ran: "Or let's stop wanting to be loved, and start trying to be respected."

I meant to suggest that as a world power we had arrived at a juncture where we were temporizing or putting off crucial decisions, and that the Government was not showing the toughness required by the situation confronting our country.

In short, I had it on my mind and conscience to tell you tonight that in my view our national interest was being neither properly assessed nor properly pursued. However, since writing President Coons to describe what I wanted to say, there has been a distinct change in our Government's approach toward world affairs. I am sure you have also observed it. The situation has improved. We have a firmer, more realistic position on many significant issues of foreign policy, on Berlin, southeast Asia, Latin America, nuclear testing, and military power, as well as on our aid to other countries and international trade.

It is a great relief to observe that many of the actions of the Government during the past few months have demonstrated a growing recognition that a change in course was overdue.

To see this change in some perspective, we should first recall that the foreign policy of the United States passed through three great crises last year. These were:

The fiasco and disaster of Cuba in April.

The President's confrontation with Khrushchev in Vienna, in June, followed by the Soviet provocation of a new Berlin crisis, and the erection of the wall through Berlin.

Finally, the Soviet nuclear weapons tests which began in August.

It was essential that such somber and sobering events should force the administration and the American people to re-examine our world position and the policies being applied to sustain it. Policymakers were obliged to take a new look at the total role in the world of American leadership and power.

As a result of these unhappy experiences, there is coming about, not so much a change in policy—although that is occurring as well—as a change in national attitude which in the end determines the broad development of policy. This change in attitude I would describe as a greater willingness to come to grips with America's true national interests in the world of today, not the world of 5, 10, or 15 years ago. For that world, speaking in terms of foreign policy and the balance of power, no longer exists.

Let me cite one illustration of what I mean by this change in attitude:

In the formulation of policy in the years since the war, we set great store by an illu-

sory, intangible factor called world opinion, whatever that may mean. This is in no way to overlook, or minimize the importance of public opinion, either in the United States or in any other country. It is rather to say that public opinion varies all over the world, in accordance with differing national or regional points of view on domestic and international issues.

At Belgrade world opinion proved a delusion. It did not deter, nor even concern, the Soviets. They broke the moratorium on testing in cynical defiance of world opinion, acting as though it did not exist. The neutrals, the self-appointed guardians of "world opinion," spoke volumes by saying little in protest.

I think that this episode, which shattered a great many unsound assumptions, taught a valuable lesson to the administration and indeed to all of us. It forcibly reminded policymakers that humanity is not one society that can speak with one convulsive, shocked voice; it is rather an agglomeration of national societies that see events through the eyes of self-interest.

President Kennedy is reported to have told members of the State Department, in a talk he recently made to them, that policymakers should show less sensitivity to the pressures of overseas opinion. He mentioned General de Gaulle as a national leader who had the right attitude. This is encouraging news if the President meant that our Government should stop adjusting our policies one way or the other, depending upon our fears of adverse reactions elsewhere in the world.

It would seem that the lesson we have learned, or are now learning, is that it is essential first of all to identify accurately our national interests, and then adopt policies that command and demand respect for them. It is not essential, in terms of safeguarding our national interests, to waste our substance, our energy and our time in futile and wistful efforts to win an international popularity contest.

Our desire to be popular, to be loved, so natural and desirable on a college or university campus, and so dangerous in a world based on power relationships, stems, I think, from a prewar naivete now being eroded away by closer contact with the Realpolitik of the postwar world.

Seventeen years ago, at the end of World War II, the United States was far and away the leading military power in the world; and the only Nation with nuclear weapons. In no way, however, did we exploit our unilateral possession of the atomic bomb. On the contrary, we set out in 1946 to transfer atomic control to an international agency. The American people, so omnipotent at that point in history, sought to return to their accustomed prewar stance of a Nation demobilized.

Soon, however, there arose the Communist challenge in Iran and Greece, giving rise to the Truman doctrine; then the general threat of a Communist takeover in Western Europe after the seizure of Czechoslovakia in February 1948. Calling upon our great national energies and resources, we created the Marshall plan to assure the economic recovery and to underpin the free political integrity of the West.

In the struggling, damaged, wavering countries on this side of the Iron Curtain there ensued an extraordinary recovery of political creativeness and initiative which Barbara Ward has called the greatest single development in the postwar world.

The Marshall miracle was the crowning achievement of U.S. policy in the late forties and early fifties. The rise of Western Europe as a great potential third power in the world and a vital ally of this country was due in great measure to our proper identification of our true national interest in those

crucial years, and our willingness to do something imaginative about it.

But there were some rather unfortunate side effects of the Marshall plan and the early period of our foreign aid programs, traces of which are still around us today. Because of our power and our great national wealth, I am afraid we drifted on occasion into the unseemly role of an international Lady Bountiful, performing good works and often shocked at the lack of appreciation on the part of our foreign beneficiaries.

The realities were, of course, that our unique power position after the war, based on unilateral possession of the atom bomb, had to be temporary. Beginning in 1952—just a decade ago, in the midst of the Korean stalemate—a new factor thrust itself into the forefront of policy. This was the beginning of a shift in the balance of power, which had been overwhelmingly in favor of the United States, as the Soviet Union developed its own nuclear capability. In 4 years more the Soviet Union had ventured first into space, with consequences painful to our prestige and national self-confidence.

That such developments have taken place should not surprise us. What has been surprising, I think, has been our tendency to continue to allow ourselves to drift in the morass of world public opinion, instead of developing tough and realistic policies to protect and enhance our national interest in a greatly changed world.

The enormity and the acceleration of change are all around us. We see it in the appearance on the world stage of a confident and prosperous Western Europe, developing for the first time a national consciousness transcending the old, historic boundaries and rivalries. The evolving European community has already posed significant questions to us in terms of our trade policies and indeed the future of our national economy.

It is also evident in our relationships with the dozens of new, independent countries in Africa and Asia, whose delegations now flock to the U.N. where they have the power to outvote us. We have had also to reappraise our relations with Latin America and to take a firmer position on the need for fundamental reforms to make our financial aid effective. We see rapid change in the technological field of weapons systems and in the steady assault on space itself.

It is almost fascinating and certainly somewhat hopeful, it seems to me, to find the Soviet Union, our arch competitor, caught up in a similar, if more ominous whirl of events. If there is an agonizing reappraisal in progress anywhere in the world today, it is going on in Moscow.

The Communist camp, once so clearly dominated from the Kremlin, is today a split camp. The split is visible and of grave importance, for it requires an adjustment not only by Khrushchev but on our side as well. We cannot know all that is going on in the great contest of national interest, thinly masked by ideological debate, between the Soviet Union and Communist China. But surely we are no longer dealing with a monolithic Communist power, guided from a single center.

Moscow specialists regard the Soviet-Communist split as the most serious breach in the Marxist world since Lenin broke with the Social Democrats to form the Communist International. Few of them believe it is likely to be patched up; indeed, the looming problem of the Soviets is how to coexist with the Chinese.

Thus it is not only U.S. diplomacy which is at the crossroads. But there can be no satisfaction nor restful pause for us in the fact that others, including the Soviet Union, have fundamental problems and weaknesses of their own to solve. It is the way in which our own diplomacy develops that must concern us, that must demand our utmost con-

centration and imaginative powers. For by successfully relating ourselves to a world in change, by wisely employing our power and influence, we will be serving not only our own security but also that of our friends and neighbors in other lands.

Not long ago in San Francisco, an extremist on the far right offered this panacea as a way out of our difficulties: "We should stop all foreign aid," he said, "get out of the United Nations, sever relations with Russia and all so-called neutrals, and be ready to fight."

The problem, of course, is not solved by severing our relations with everybody. The problem can be met only by properly using our relations and influence with the rest of the world in ways that reflect our national interest.

Let us take, for example, the question of foreign aid, one of the first targets for this particular kind of attack. I submit that it is in the American national interest to continue, and even to expand capital and technical assistance to underdeveloped countries as an investment in our own security. It is also important to insist that other countries, quite capable of sharing more of the burden, do likewise.

Our difficulties with foreign aid have arisen because we have failed to be very precise about our foreign aid objectives. In the past we have unwisely allowed ourselves to be exploited by the threats of underdeveloped nations that have overdeveloped dictatorships. "If you deny us aid," they say, "we will run to Moscow." I am inclined to agree with Ambassador George Kennan: When they act that way, we should show them the door instead of whipping out the checkbook. To have our foreign aid subject to the whipsaw tactics of recipients is to lose control over its use; it is to abrogate our responsibility to use foreign aid in the U.S. national interest.

As we need to be more precise about our foreign aid objectives, so should we be more precise about our role in the United Nations. We are no longer in a position to obtain large majorities for our side on every issue. While this may be a cause of frustration to some, it need not be. The enlarged U.N. is little more than a reflection of the changed world situation.

But what do we accomplish by withdrawal from the U.N.? We would immediately remove ourselves from a broad range of personal relationships with countries whose leaders we are endeavoring to influence. Our foreign policy must operate in many different forums, and one of them, a most important one, is the U.N. There have been occasions when our national interests were best protected through the multilateral action provided by the U.N., as in Palestine, Korea, and the Congo. But we do not rely on the U.N. in western Europe, southeast Asia or in other sensitive areas. Neither do our allies.

Those of us frustrated by the U.N. are reacting in most cases to the neutral countries which play such a large part in U.N. debates. It tries our patience to hear Mr. Nehru loudly object to the furnishing of U.S. military support to Pakistan, while managing to suppress his indignation over the expropriation of Indian territory in the Himalayas by the Communist Chinese.

I think we can afford to be more realistic in our relations with the neutral countries, while not losing sight of the fact that there are neutrals with us and neutrals against us. We must expect that they will respond to international issues in terms of their own national interests. We must make clear to them that we intend to respond and act in the same way. I am convinced that it would make for a healthier relationship all around and that it would gain more, rather than less, understanding for U.S. policies.

In this review of our national interest, it is quite clear that the United States is not alone in the world and cannot stand alone. For a very few years, due to a special set of circumstances, perhaps we could have stood alone. As soon as nuclear capability was gained by any other power, that was no longer possible.

The greatest concentration of political, economic, and military strength in the world today lies not in the Soviet Union, with or without its satellites, and Communist China; it lies in the Atlantic Community, acting together and with other friendly powers around the world.

The relationships within this community, in many respects, have been altered more radically than anywhere else. Our own influence and the impact of our own policies have been substantial in bringing these changes about. In consequence we find ourselves today faced with historic decisions that will affect the course of our future development as a Nation. The United Kingdom found itself at the crossroads in its relations with Europe and decided to apply for membership in the European Economic Community, with all the implications that this move will have for the countries of the British Commonwealth. The issues before the United States are no less significant.

The most obvious manifestation of our concern with the new Europe and its impact on us is the current debate in Congress on our future trade policy. It is not my intention to argue the merits of the Government's new trade proposals, although I have done so and am quite willing to take up the cudgels again. What seems to me significant is the fundamental adjustment in our relationships with Europe that the circumstances require and which the proposed trade program reflects.

From the standpoint of our national interest, it is vitally important that the combined power and influence of the United States and Europe be marshaled in effective and meaningful ways. It cannot and should not, quite obviously, be an exclusive power, because of the ties between both sides of the Atlantic and many other parts of the world. It will not be possible, however, to bring the United States and Europe closer together through traditional trading patterns, or loose political and military alliances. More imaginative approaches are needed and, indeed, will have to be found.

Since there is a need to steer both Europe and the United States into a much closer and more effective partnership, or by whatever name you choose to call the arrangement, tariff walls around the United States and the Common Market will have to be lowered. Trade across the Atlantic will have to be increased, serving the dual purpose of bringing the two continents closer together while enhancing their economic strength both relatively and absolutely vis-a-vis the Communist bloc. Freer trade, in other words, is as important in the political sense as it is in the economic.

We know that it is the objective of the Soviet Union to break up, or slow down, the integration of Europe. Failing that, as I am sure they will, the U.S.S.R. will do its utmost to isolate Europe from the United States. We therefore fall into a trap, it seems to me, if we persist in the delusion that the conflict in the world today is between the Soviet Union and the United States.

I suggest that the conflict in reality is not of that sort at all. It is a contest between the Soviet Union and the free Atlantic Community and its friends around the world. With its rather distorted outlook on history and current events, Moscow may well believe its own over-simplified view. If so, we would do well to drive home to the U.S.S.R. the realities of the Atlantic partnership by con-

stantly increasing its strength and its visibility in every way we can.

One of the historic changes in the last few years, in returning for a final moment to the Moscow-Peiping quarrel, has been the apparent loss by the Soviet Union of its supreme ability to shape events in the International Communist movement. This is no longer possible, or at least not so long as the two centers of international communism continue to drift apart.

There is a temptation, I think, to put the United States in the same boat, to say that we, too, have lost position and our ability to make history as we did in the days of the Marshall plan. Some of those who hold this point of view are the very people who say we should pull out of the U.N., reject the neutrals and be ready to fire at the first helmet which shows above the trench.

I believe this misreads the situation, and that policies based on this erroneous concept are bound to fail. We have, it is true, discovered that we cannot carry on our shoulders the entire burden of responsibility for peace and security in the world. But no one has ever suggested seriously that we should.

However, the fact is that the influence and power of the United States are greater than that of the Soviet Union, and not for reasons of material advantages alone. I believe our power is greater for the very reason that we do not force it upon others, and because our influence is most strongly felt within a community of nations whose values are similar to our own. Our weakness has taken the form of a national tendency to substitute concern for world opinion and popularity for soundly conceived policies and action based on the realities of our national interest.

I was present recently when an American spokesman on Far Eastern affairs dealt with this problem; in the course of the discussion he made this comment: "Forcefulness implies power, and power not only induces fear, but also commands respect."

In referring to this observation, I do not mean to suggest that we should strive to make other nations fear the United States. But I do agree that a larger measure of forcefulness in our approach to foreign affairs has been required from us than we have actually provided, and that in the long run it will command respect for our point of view and the programs which support it.

The community to which we belong, by heritage and choice, can provide the economic assistance and the democratic standards which the new independent nations around the world so sorely need. In doing so it can help to keep them independent for the indefinite future. For the United States to act toward the newly independent peoples, and indeed all other countries, as though it were not aware of its power, as though it appeared to be more interested in currying favor than solid support for its policies, is only to sow confusion and distrust. Since in any event people will always look behind the rhetoric to see where we stand, we might as well be clear about it from the start.

I believe we have reached a stage in our history when we must no longer merely react to others, when great and constructive initiatives are demanded. The main thrust of our national interest lies in encouraging the development of the Atlantic community and its ties to other free nations. The resources of this great industrial complex, properly coordinated, far exceed the real and potential power of our opponents, acting separately or in combination. Here indeed is a proper arena for the sound exercise of American power and influence in a broadly creative purpose, not alone or even primarily for the internal benefits it will pro-

vide, but for the latent energies and power it can release among free peoples around the world.

CIVIL USES OF ATOMIC ENERGY— PROPOSED AGREEMENT BETWEEN THE UNITED STATES AND COLOMBIA

Mr. GORE. Mr. President, as chairman of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, I wish to advise the Senate of a proposed agreement for cooperation concerning civil uses of atomic energy between the Government of the United States of America and the Government of the Republic of Colombia.

The proposed agreement will enable Colombia to obtain up to 10 kilograms of uranium enriched to 90 percent in U-235 to fuel a research reactor which Colombia plans to acquire from an American firm.

This proposed agreement concerns the peaceful uses of atomic energy, and is substantially similar to other agreements that have been concluded in the past.

Mr. President, I request unanimous consent to have printed in the CONGRESSIONAL RECORD the following:

First. The text of the agreement for cooperation, as executed in Washington, D.C., on April 9, 1962;

Second. A letter, dated February 16, 1962, to the President from AEC Chairman Seaborg, recommending approval of the agreement;

Third. A letter, dated March 19, 1962, from President Kennedy to AEC Chairman Seaborg, approving the agreement, containing his determination that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security, and authorizing its execution; and

Fourth. A letter dated April 27, 1962, to Representative HOLIFIELD, chairman of the Joint Committee on Atomic Energy, from AEC Chairman Seaborg, forwarding the agreement and the documents for review by the Joint Committee, pursuant to section 123 of the Atomic Energy Act of 1954.

There being no objection, the agreement and the letters were ordered to be printed in the RECORD, as follows:

AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF COLOMBIA CONCERNING CIVIL USES OF ATOMIC ENERGY

Whereas the peaceful uses of atomic energy hold great promise for all mankind; and

Whereas the Government of the United States of America and the Government of the Republic of Colombia desire to cooperate with each other in the development of such peaceful uses of atomic energy; and

Whereas the design and development of several types of reactors are well advanced; and

Whereas reactors are useful in the production of research quantities of radioisotopes, in medical therapy, in materials testing, and in numerous other research activities and at the same time are a means of affording valuable training and experience in nuclear science and engineering useful in the de-

velopment of other peaceful uses of atomic energy including civilian nuclear power; and

Whereas the Government of the Republic of Colombia desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States of America and United States industry with respect to this program; and

Whereas the Government of the United States of America, acting through the United States Atomic Energy Commission, desires to assist the Government of the Republic of Colombia in such a program;

The parties therefore agree as follows:

ARTICLE I

For the purposes of this agreement:

(a) "Commission" means the United States Atomic Energy Commission or its duly authorized representatives.

(b) "Equipment and devices" means any instrument or apparatus and includes research reactors, as defined herein, materials testing reactors, reactor experiments, and their component parts.

(c) "Research reactor" means a reactor which is designed for the production of neutrons and other radiations for general research and development purposes, medical therapy, or training in nuclear science and engineering. The term does not cover power reactors, power demonstration reactors, or reactors designed primarily for the production of special nuclear materials.

(d) The terms "Restricted Data", "atomic weapon", "special nuclear material", "source material", and "byproduct material" are used in this Agreement as defined in the United States Atomic Energy Act of 1954, as amended.

ARTICLE II

Restricted Data shall not be communicated under this agreement, and no materials or equipment and devices shall be transferred and no services shall be furnished under this Agreement to the Government of the Republic of Colombia or authorized persons under its jurisdiction if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of Restricted Data.

ARTICLE III

A. Subject to the provisions of Article II, the Parties hereto will exchange information in the following fields:

(1) Design, construction, operation and use of research reactors, materials testing reactors, and reactor experiments.

(2) Health and safety problems related to the operation and use of research reactors, materials testing reactors, and reactor experiments.

(3) The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

B. The application or use of any information or data of any kind whatsoever, including design drawings and specifications, exchanged under this Agreement shall be the responsibility of the Party which receives and uses such information or data, and it is understood that the other cooperating Party does not warrant the accuracy, completeness, or suitability of such information or data for any particular use or application.

ARTICLE IV

A. The Commission will sell or lease, as may be agreed, to the Government of the Republic of Colombia, uranium enriched up to twenty percent (20%) in the isotope U-235, except as otherwise provided in paragraph C of this Article, in such quantities as may be agreed, in accordance with the terms, conditions, and delivery schedules set

forth in contracts, for fueling defined research reactors, materials testing reactors, and reactor experiments which the Government of the Republic of Colombia, in consultation with the Commission, decides to construct or authorize private organizations to construct and which are constructed in Colombia and as required in experiments related thereto; provided, however, that the net amount of any uranium sold or leased under this Article during the period of this Agreement shall not at any time exceed ten (10) kilograms of the isotope U-235 contained in such uranium. This net amount shall be the gross quantity of such contained U-235 in uranium sold or leased to the Government of the Republic of Colombia during the period of this Agreement less the quantity of such contained U-235 in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America during the period of this Agreement or transferred to any other nation or international organization with the approval of the Government of the United States of America.

B. Within the limitations contained in paragraph A of this Article, the quantity of uranium enriched in the isotope U-235 transferred by the Commission under this Article and in the custody of the Government of the Republic of Colombia shall not at any time be in excess of the quantity necessary for the full loading of each defined reactor project which the Government of the Republic of Colombia or any persons under its jurisdiction construct and fuel with uranium received from the United States of America, as provided herein, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactors or reactor experiments while replaced fuel is radioactively cooling, is in transit, or, subject to the provisions of paragraph E of this Article, is being reprocessed in Colombia, it being the intent of the Commission to make possible the maximum usefulness of the material so transferred.

C. The Commission may, upon request and in its discretion, make all or a portion of the foregoing special nuclear material available as uranium enriched up to ninety percent (90%) in the isotope U-235 for use in research reactors, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed eight (8) kilograms of the isotope U-235 contained in such uranium.

D. It is understood and agreed that although the Government of the Republic of Colombia may distribute uranium enriched in the isotope U-235 to authorized users in Colombia, the Government of the Republic of Colombia will retain title to any uranium enriched in the isotope U-235 which is purchased from the Commission at least until such time as private users in the United States of America are permitted to acquire title in the United States of America to uranium enriched in the isotope U-235.

E. It is agreed that when any source or special nuclear material received from the United States of America requires reprocessing, such reprocessing shall be performed at the discretion of the Commission in either Commission facilities or facilities acceptable to the Commission, on terms and conditions to be later agreed; and it is understood, except as may be otherwise agreed, that the form and content of any irradiated fuel shall not be altered after its removal from the reactor and prior to delivery to the Commission or the facilities acceptable to the Commission for reprocessing.

F. Special nuclear material produced in any part of fuel leased hereunder as a result of irradiation processes shall be for the account of the Government of the Republic

of Colombia and, after reprocessing as provided in paragraph E of this Article, shall be returned to the Government of the Republic of Colombia, at which time title to such material shall be transferred to that Government, unless the Government of the United States of America shall exercise the option, which is hereby granted, to retain, with appropriate credit to the Government of the Republic of Colombia, any such special nuclear material which is in excess of the needs of the Republic of Colombia for such material in its program for the peaceful uses of atomic energy.

G. With respect to any special nuclear material not subject to the option referred to in paragraph F of this Article and produced in reactors fueled with material obtained from the United States of America which is in excess of the need of the Republic of Colombia for such material in its program for the peaceful uses of atomic energy, the Government of the United States of America shall have and is hereby granted (a) a first option to purchase such material at prices then prevailing in the United States of America for special nuclear material produced in reactors which are fueled pursuant to the terms of an agreement for cooperation with the Government of the United States of America, and (b) the right to approve the transfer of such material to any other nation or international organization in the event the option to purchase is not exercised.

H. Some atomic energy materials which the Commission may provide in accordance with this Agreement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of the Republic of Colombia, the Government of the Republic of Colombia shall bear all responsibility, insofar as the Government of the United States of America is concerned, for the safe handling and use of such materials. With respect to any source or special nuclear material or other reactor materials which the Commission may, pursuant to this Agreement, lease to the Government of the Republic of Colombia or to any private individual or private organization under its jurisdiction, the Government of the Republic of Colombia shall indemnify and save harmless the Government of the United States of America against any and all liability (including third party liability) for any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such source or special nuclear material or other reactor materials after delivery by the Commission to the Government of the Republic of Colombia or to any authorized private individual or private organization under its jurisdiction.

ARTICLE V

Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of the Republic of Colombia or persons under its jurisdiction, including source material, special nuclear material, byproduct material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Republic of Colombia by the Commission for research purposes other than fueling reactors and reactor experiments in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially.

ARTICLE VI

Subject to the availability of supply and as may be mutually agreed, the Commission will sell or lease, through such means as it deems appropriate, to the Government of the Republic of Colombia or authorized persons under its jurisdiction such reactor

materials, other than special nuclear materials, as are not obtainable on the commercial market and which are required in the construction and operation of research reactors in the Republic of Colombia. The sale or lease of these materials shall be on such terms as may be agreed.

ARTICLE VII

It is contemplated that, as provided in this Article, private individuals and private organizations in either the United States of America or the Republic of Colombia may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article III, the Government of the United States of America will permit persons under its jurisdiction to transfer and export materials, including equipment and devices, to, and perform services for, the Government of the Republic of Colombia and such persons under its jurisdiction as are authorized by the Government of the Republic of Colombia to receive and possess such materials and utilize such services, subject to:

- (a) The provisions of Article II.
- (b) Applicable laws, regulations and license requirements of the Government of the United States of America and the Government of the Republic of Colombia.

ARTICLE VIII

A. The Government of the United States of America and the Government of the Republic of Colombia emphasize their common interest in assuring that any material, equipment, or device made available to the Government of the Republic of Colombia pursuant to this Agreement shall be used solely for civil purposes.

B. Except to the extent that the safeguards provided for in this Agreement are supplanted, as provided in Article X, by safeguards of the International Atomic Energy Agency, the Government of the United States of America, notwithstanding any other provisions of this Agreement, shall have the following rights:

(1) With the objective of assuring design and operation for civil purposes and permitting effective application of safeguards, to review the design of any—

- (i) reactor and
- (ii) other equipment and devices the design of which the Commission determines to be relevant to the effective application of safeguards,

which are to be made available to the Government of the Republic of Colombia or persons under its jurisdiction by the Government of the United States of America or any person under its jurisdiction, or which are to use, fabricate, or process any of the following materials so made available: source material, special nuclear material, moderator material, or other material designated by the Commission;

(2) With respect to any source or special nuclear material made available to the Government of the Republic of Colombia or any person under its jurisdiction by the Government of the United States of America or any person under its jurisdiction and any source or special nuclear material utilized in, recovered from, or produced as a result of the use of any of the following materials, equipment, or devices so made available:

(i) source material, special nuclear material, moderator material, or other material designated by the Commission,

(ii) reactors,

(iii) any other equipment or device designated by the Commission as an item to be made available on the condition that the provision of this subparagraph B (2) will apply.

(a) to require the maintenance and production of operating records and to request and receive reports for the purpose of as-

sisting in ensuring accountability for such material; and (b) to require that any such material in the custody of the Government of the Republic of Colombia or any person under its jurisdiction be subject to all of the safeguards provided for in this Article and the guarantees set forth in Article IX;

(3) To require the deposit in storage facilities designated by the Commission of any of the special nuclear material referred to in subparagraph B(2) of this Article which is not currently utilized for civil purposes in the Republic of Colombia and which is not purchased or retained by the Government of the United States of America pursuant to Article IV, paragraph F and paragraph G(a) of this Agreement, transferred pursuant to Article IV, paragraph G (b) of this Agreement, or otherwise disposed of pursuant to an arrangement mutually acceptable to the Parties;

(4) To designate, after consultation with the Government of the Republic of Colombia, personnel who, accompanied, if either Party so requests, by personnel designated by the Government of the Republic of Colombia, shall have access in Colombia to all places and data necessary to account for the source and special nuclear materials which are subject to subparagraph B(2) of this Article to determine whether there is compliance with this Agreement and to make such independent measurements as may be deemed necessary;

(5) In the event of non-compliance with the provisions of this Article, or the guarantees set forth in Article IX, and the failure of the Government of the Republic of Colombia to carry out the provisions of this Article within a reasonable time, to suspend or terminate this Agreement and require the return of any materials, equipment, and devices referred to in subparagraph B (2) of this Article;

(6) To consult with the Government of the Republic of Colombia in the matter of health and safety.

C. The Government of the Republic of Colombia undertakes to facilitate the application of the safeguards provided for in this Article.

ARTICLE IX

The Government of the Republic of Colombia guarantees that:

(a) Safeguards provided in Article VIII shall be maintained.

(b) No material, including equipment and devices, transferred to the Government of the Republic of Colombia or authorized persons under its jurisdiction, pursuant to this Agreement, by lease, sale, or otherwise will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the Republic of Colombia except as the Commission may agree to such transfer to another nation or an international organization and then only if in the opinion of the Commission such transfer falls within the scope of an agreement for cooperation between the United States of America and the other nation or international organization.

ARTICLE X

The Government of the United States of America and the Government of the Republic of Colombia affirm their common interest in the International Atomic Energy Agency and to this end:

(a) The Parties will consult with each other, upon request of either Party, to determine in what respects, if any, they desire to modify the provisions of this Agreement. In particular, the Parties will consult with each other to determine in what respects and to what extent they desire to arrange for the

administration by the Agency of those conditions, controls, and safeguards, including those relating to health and safety standards, required by the Agency in connection with similar assistance rendered to a co-operating nation under the aegis of the Agency.

(b) In the event the Parties do not reach a mutually satisfactory agreement following the consultation provided for in subparagraph (a) of this Article, either Party may by notification terminate this Agreement. In the event this Agreement is so terminated, the Government of the Republic of Colombia shall return to the Commission all source and special nuclear materials received pursuant to this Agreement and in its possession or in the possession of persons under its jurisdiction.

ARTICLE XI

A. This Agreement shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such Agreement and shall remain in force for a period of four years: provided, however, the term of the Agreement shall be reduced to a period of two years by either Party's giving the other Party at least three months advance notice in writing of its intention to terminate the Agreement at the expiration of the two year term.

B. At the expiration of this Agreement or of any extension thereof the Government of the Republic of Colombia shall deliver to the Government of the United States of America all fuel elements containing reactor fuels leased by the Commission and any other fuel or reactor materials leased by the Commission. Such fuel elements and such fuel or other reactor materials shall be delivered to the Commission at a site in the United States of America designated by the Commission at the expense of the Government of the Republic of Colombia, and such delivery shall be made under appropriate safeguards against radiation hazards while in transit.

In witness whereof, the undersigned, duly authorized, have signed this Agreement.

Done at Washington, in duplicate, this ninth day of April 1962.

For the Government of the United States of America:

EDWIN M. MARTIN,
GLENN T. SEABORG.

For the Government of the Republic of Colombia:

C. S. DE SANTAMARIA.

Certified to be a true copy:

ROBERT N. SLAWSON,
Chief, Asian-African-Latin American
Branch, Division of International
Affairs, U.S. Atomic Energy Commission.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., February 16, 1962.
THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed agreement entitled "Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of Colombia Concerning Civil Uses of Atomic Energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendation.

The agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended.

An earlier bilateral agreement for cooperation with Colombia was allowed to ex-

pire on July 18, 1960, as Colombia did not have any requirements for special nuclear material at that time. In line with our existing policy, Colombia was encouraged to meet its future nuclear materials and equipment requirements through the International Atomic Energy Agency (IAEA). The Colombians, however, indicated a strong preference to continue bilateral arrangements with the United States, and the enclosed agreement was subsequently negotiated with them.

Colombia's principal interest in concluding the enclosed agreement is to enable it to obtain uranium enriched to 90 percent in U-235 to fuel a research reactor which Colombia now plans to acquire from an American firm. The agreement is substantively similar to other agreements that have been concluded in the past, except that the term (Article XI) is for 4 years, with both parties having the unilateral right to terminate the agreement after 2 years. This would allow for terminating the agreement in the event Colombia decided not to proceed with the contemplated research reactor project or in the event they eventually decided to turn to the IAEA for their fuel requirements. Major features of the agreement are summarized below:

The Commission would be authorized, under article IV, to sell or lease, as may be agreed, to the Government of the Republic of Colombia, a net amount of 10 kilograms of the isotope U-235 contained in uranium enriched up to 20 percent in the isotope U-235, except as noted below, for use as fuel in research reactors, materials testing reactors and reactor experiments. The Commission, in its discretion, may make all or a portion of 10 kilograms of special nuclear material available as uranium enriched up to 90 percent in the isotope U-235 for use in the foregoing facilities, each capable of operating with a fuel load not to exceed 8 kilograms of U-235 contained in such uranium.

Article V includes provisions for the transfer to Colombia, on an "as may be agreed" basis, of reactor materials, including special nuclear materials, for research purposes other than fueling reactors and reactor experiments, if such materials are not available commercially.

All information communicated under the agreement will be unclassified. Comprehensive controls and safeguards associated with the transfer of 90 percent enriched material, which are designed to assure that such material is used only for peaceful purposes, are set forth in article VIII.

In article X the parties affirm their common interest in the International Atomic Energy Agency and agree to consult with each other to determine in what respects, if any, they may desire to modify the provisions of the agreement to provide for Agency participation in activities such as the administration of safeguards.

Following your approval and determination and subject to the authorization requested, the agreement will be formally executed by the appropriate authorities of the Government of the United States of America, represented by the Atomic Energy Commission and the Department of State, and the Government of the Republic of Colombia. In compliance with Section 123c of the Atomic Energy Act of 1954, as amended, the agreement will then be placed before the Joint Committee on Atomic Energy.

Respectfully yours,

GLENN T. SEABORG,
Chairman.

Certified to be a true copy:

ROBERT N. SLAWSON,
Chief, Asian-African-Latin American
Branch, Division of International
Affairs, U.S. Atomic Energy
Commission.

THE WHITE HOUSE,
Washington, D.C., March 19, 1962.

HON. GLENN T. SEABORG,
Atomic Energy Commission,
Washington, D.C.

DEAR DR. SEABORG: In accordance with section 123 of the Atomic Energy Act of 1954, as amended, the Atomic Energy Commission has submitted to me a proposed "Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of Colombia Concerning Civil Uses of Atomic Energy," and recommended that I approve the proposed agreement, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution.

Among other things, the agreement provides that the Commission may sell or lease, as may be agreed, a net amount of 10 kilograms of the isotope U^{235} contained in uranium enriched up to 20 percent in the isotope U^{235} , except as noted below, for use in research reactors, materials testing reactors, and reactor experiments. The Commission, at its discretion, may make all or a portion of the 10 kilograms available as material enriched up to 90 percent for use in the foregoing facilities, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium. It also provides that when any source or special nuclear material received from the United States requires reprocessing, such reprocessing will be performed either in Commission facilities or in facilities acceptable to the Commission.

The quantity of uranium enriched in the isotope U^{235} transferred to the Government of the Republic of Colombia for use as fuel in reactors will not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactors or reactor experiments while replaced fuel is radioactively cooling or in transit or, subject to Commission approval, is being reprocessed in Colombia.

The agreement further permits the transfer of quantities of special nuclear materials on an as-may-be-agreed basis, for defined research projects related to the peaceful uses of atomic energy other than fueling reactors and reactor experiments.

The agreement also contains several provisions which are designed to minimize the possibility that material or equipment transferred under the agreement will be diverted to nonpeaceful purposes. Finally, the agreement contains a provision whereby the parties affirm their common interest in the International Atomic Energy Agency and agree to consult with each other to determine in what respects, if any, they may desire to modify the provisions of the agreement for cooperation to provide for agency participation in activities such as the administration of safeguards.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(a) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States.

(b) Approve the proposed agreement for cooperation between the Government of the United States of America and the Government of the Republic of Colombia enclosed with your letter submitting the proposed agreement.

(c) Authorize the execution of the proposed agreement for the Government of the United States of America by appropriate

authorities of the U.S. Atomic Energy Commission and the Department of State.

Sincerely,

/s/ JOHN F. KENNEDY.

Certified to be a true copy:

ROBERT N. SLAWSON,
Chief, Asian-African-Latin American
Branch, Division of International
Affairs, U.S. Atomic Energy Commission.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C.

HON. CHET HOLIFIELD,
Chairman, Joint Committee on Atomic
Energy, Congress of the United States.

DEAR MR. HOLIFIELD: Pursuant to section 123c of the Atomic Energy Act of 1954, as amended, there are submitted with this letter:

(a) An executed Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of the Republic of Colombia;

(b) A letter from the Commission to the President recommending approval of the agreement; and

(c) A letter from the President to the Commission approving the agreement, containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security and authorizing its execution.

The agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended.

An earlier bilateral agreement for cooperation with Colombia was allowed to expire on July 18, 1960, as Colombia did not have any requirements for special nuclear material at that time. In line with our existing policy, Colombia was encouraged to meet its future nuclear materials and equipment requirements through the International Atomic Energy Agency (IAEA). The Colombians, however, indicated a strong preference to continue bilateral arrangements with the United States, and the enclosed agreement was subsequently negotiated with them.

Colombia's principal interest in concluding the enclosed agreement is to enable it to obtain uranium enriched to 90 percent in U^{235} to fuel a research reactor which Colombia now plans to acquire from an American firm. The agreement is substantively similar to other agreements that have been concluded in the past, except that the term (article XI) is for 4 years, with both parties having the unilateral right to terminate the agreement after 2 years. This would allow for terminating the agreement in the event Colombia decided not to proceed with the contemplated research project or in the event they eventually decided to turn to the IAEA for their fuel requirements. Major features of the agreement are summarized below:

The Commission would be authorized, under article IV, to sell or lease, as may be agreed, to the Government of the Republic of Colombia, a net amount of 10 kilograms of the isotope U^{235} contained in uranium enriched up to 20 percent in the isotope U^{235} , except as noted below, for use as fuel in research reactors, materials-testing reactors and reactor experiments. The Commission, in its discretion, may make all or a portion of the 10 kilograms of special nuclear material available as uranium enriched up to 90 percent in the isotope U^{235} for use in the foregoing facilities, each capable of operating with a fuel load not to exceed 8 kilograms of U^{235} contained in such uranium.

Article V includes provisions for the transfer to Colombia, on an "as may be agreed" basis, of materials, including special nuclear material, for research purposes other than

fueling reactors and reactor experiments, if such materials are not available commercially.

All information communicated under the agreement will be unclassified. Comprehensive controls and safeguards set forth in article VIII are designed to assure that reactors and source and special nuclear materials transferred pursuant to the agreement are used only for peaceful purposes.

In article X the parties affirm their common interest in the International Atomic Energy Agency and agree to consult with regard to the utilization of the facilities and services of the Agency.

The agreement will enter into force when the two Governments have exchanged notifications that their respective statutory and constitutional requirements have been fulfilled.

Sincerely yours,

GLENN T. SEABORG,
Chairman.

INTERNATIONAL AGREEMENTS ON ATOMIC ENERGY

Mr. GORE. Mr. President, it has been my practice, as chairman of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, to advise my colleagues in the Senate and the Members of the House, as well as all other interested persons, by means of the CONGRESSIONAL RECORD, of each proposed agreement for cooperation, or amendment, with other nations in the atomic energy field. Section 123 of the Atomic Energy Act requires that these agreements and amendments be submitted to the Joint Committee on Atomic Energy, for review.

Accordingly, I wish to advise the Senate of a proposed amendment to the agreement for cooperation with the Government of Greece, for the civil uses of atomic energy.

The proposed amendment will permit the transfer of certain materials, including some special nuclear materials, U^{235} , U^{238} , and plutonium, desired by Greece in connection with defined research projects. The immediate purpose is to permit the Greek Government to obtain plutonium in sufficient quantities to assure a plutonium-beryllium neutron source for use with the Greek research reactor. The provisions of this amendment are similar in scope to those contained in a number of previously negotiated agreements which are presently in force.

In this case, because the proposed amendment relates exclusively to the peaceful uses of atomic energy, and involves only a small amount of special nuclear material, and is similar in scope to a number of previous agreements, I do not plan to call a hearing by the subcommittee on this particular proposed amendment. However, I shall be glad to answer any questions concerning this proposed agreement and to furnish any further information desired by any other Senator.

Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD, at the conclusion of my remarks, the following:

First. A copy of the proposed amendment to the agreement for cooperation

between the Government of the United States of America and the Government of the Kingdom of Greece, as executed in Washington on April 3, 1962;

Second. A letter, dated February 23, 1962, to the President, from Mr. John S. Graham, Acting Chairman of the Atomic Energy Commission, recommending approval of the amendment;

Third. A letter, dated March 19, 1962, to AEC Chairman Seaborg, from the President, containing his determination that performance of the amendment will promote, and will not constitute an unreasonable risk to, the common defense and security, approving the amendment, and authorizing its execution; and,

Fourth. A letter, dated April 20, 1962, to Representative CHET HOLIFIELD, chairman of the Joint Committee on Atomic Energy, from AEC Chairman Seaborg, submitting the various documents to the Joint Committee on Atomic Energy, for review.

There being no objection, the amendment and the letters were ordered to be printed in the RECORD, as follows:

AMENDMENT TO AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF GREECE CONCERNING CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the Kingdom of Greece,

Desiring to amend the Agreement for Cooperation between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy, signed at Washington on August 4, 1955 (hereinafter referred to as the "Agreement for Cooperation"), as amended by the Agreement signed at Washington on June 11, 1960,

Agree as follows:

ARTICLE I

Article II, paragraph B, of the Agreement for Cooperation is amended by adding the phrase "under this Article" after the phrase "by the Commission".

ARTICLE II

The following new article is added directly after Article III of the Agreement for Cooperation:

"ARTICLE III (A)

"Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of the Kingdom of Greece, or persons under its jurisdiction, including source materials, special nuclear materials, by-product material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Kingdom of Greece by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of the Government of the Kingdom of Greece, by reason of transfer under this Article, be, at any one time, in excess of 100 grams of contained U-235, 10 grams of U-233, 250 grams of plutonium in the form of fabricated foils and sources, and 10 grams of plutonium in other forms."

ARTICLE III

Article VI, paragraph A, of the Agreement for Cooperation is amended by deleting the phrase "uranium enriched in the isotope U-235 leased from the Commission" and substituting in lieu thereof the phrase "special

nuclear materials received from the Commission".

ARTICLE IV

This Amendment shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such Amendment and shall remain in force for the period of the Agreement for Cooperation as amended.

In witness whereof, the undersigned, duly authorized, have signed this Amendment.

Done at Washington, in duplicate, this third day of April 1962.

For the Government of the United States of America:

PHILLIPS TALBOT.

GLENN T. SEABORG.

For the Government of the Kingdom of Greece:

ALEXANDER MATSAS.

Certified to be a true copy:

W. M. FULLERTON,

Chief, European Branch, Division of International Affairs, U.S. Atomic Energy Commission.

FEBRUARY 23, 1962.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed "Amendment to Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendations.

The amendment, which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would modify the agreement for cooperation signed by the Government of the United States of America and the Government of the Kingdom of Greece on August 4, 1955, as amended by the agreement signed on June 11, 1960.

The amendment would permit the transfer of materials of interest in connection with defined research projects related to the peaceful uses of atomic energy, including, among other materials, limited amounts of special nuclear materials, namely U-235, U-233, and plutonium. Its immediate purpose is to permit the Greek Government to obtain plutonium in sufficient quantities to secure a plutonium-beryllium neutron source for use with the Greek research reactor.

Following your approval, determination and authorization, the amendment will be executed formally by the appropriate authorities of the Government of the United States of America and the Government of the Kingdom of Greece. In compliance with Section 123c of the Atomic Energy Act of 1954, as amended, the amendment will then be placed before the Joint Committee on Atomic Energy.

Respectfully yours,

JOHN S. GRAHAM,
Acting Chairman.

Certified to be a true copy:

W. M. FULLERTON,

Chief, European Branch, Division of International Affairs, U.S. Atomic Energy Commission.

THE WHITE HOUSE,

Washington, D.C., March 19, 1962.

HON. GLENN T. SEABORG,

Chairman, U.S. Atomic Energy Commission.

DEAR DR. SEABORG: In accordance with section 123 of the Atomic Energy Act of 1954,

as amended, the Atomic Energy Commission has submitted to me a proposed "Amendment to Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy," and recommended that I approve the proposed agreement, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution.

The proposed amendment would modify the agreement for cooperation signed by the Government of the United States of America and the Government of the Kingdom of Greece on August 4, 1955, as amended by the agreement signed on June 11, 1960.

The amendment would permit the transfer of materials of interest in connection with defined research projects related to the peaceful uses of atomic energy, including, among other materials, limited amounts of special nuclear materials, namely, U-235, U-233, and plutonium. Its immediate purpose is to permit the Greek Government to obtain plutonium in sufficient quantities to secure a plutonium-beryllium neutron source for use with the Greek research reactor.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(a) Determine that the performance of the proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

(b) Approve the proposed amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Kingdom of Greece enclosed with your letter submitting the proposed amendment; and

(c) Authorize the execution of the proposed amendment for the Government of the United States of America by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

JOHN F. KENNEDY.

Certified to be a true copy:

W. M. FULLERTON,

Chief, European Branch, Division of International Affairs, U.S. Atomic Energy Commission.

U.S. ATOMIC ENERGY COMMISSION,

Washington, D.C., April 20, 1962.

HON. CHET HOLIFIELD,

Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. HOLIFIELD: Pursuant to section 123c of the Atomic Energy Act of 1954, as amended, there are submitted with this letter:

(a) three copies of an executed Amendment to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy;

(b) three copies of a letter from the Commission to the President recommending approval of the Amendment; and

(c) three copies of a letter from the President to the Commission containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security, approving the Amendment, and authorizing its execution.

The proposed amendment would modify the agreement for cooperation signed by the Government of the United States of America and the Government of the Kingdom of Greece on August 4, 1955, as amended by the agreement signed on June 11, 1960.

The amendment would permit the transfer of materials of interest in connection with defined research projects related to the

peaceful uses of atomic energy, including, among other materials, limited amounts of special nuclear materials, namely U-235, U-233, and plutonium. Its immediate purpose is to permit the Greek Government to obtain plutonium in sufficient quantities to assure a plutonium-beryllium neutron source for use with the Greek research reactor. Three provisions of the amendment are similar in scope to those contained in a number of previously negotiated agreements which are presently in force.

The amendment will enter into force when the two Governments have exchanged notifications that their respective statutory and constitutional requirements have been fulfilled.

Sincerely yours,

GLENN T. SEABORG,
Chairman.

STANDBY PUBLIC WORKS ACT OF 1962

Mr. COOPER. Mr. President, on May 3 I spoke in the Senate on the method of financing \$2 billion of additional public works spending provided in section 10(b) of the Standby Public Works Act of 1962 as reported by the Senate Committee on Public Works, with particular reference to its effect on the resources of the World Bank and the security for its bonds. I pointed out that more than \$1 billion of those bonds are owned by U.S. investors. I said that I would report to the Senate the responses to my letters to Secretary Dillon and Secretary Rusk on this subject, for I did not believe the Department of the Treasury and the Department of State had been aware of the suggestion by the Bureau of the Budget that \$2 billion for public works could be transferred from the authority for payment of the U.S. subscription to the stock of the World Bank.

Last Monday, May 14, I inserted in the CONGRESSIONAL RECORD the reply I had received from Secretary Dillon, which appears on page 8303 of the RECORD. Later that day, I received a reply from the Assistant Secretary of State, Mr. Dutton, and I ask that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, May 11, 1962.

The Honorable JOHN SHERMAN COOPER,
U.S. Senate.

DEAR SENATOR COOPER: I want to thank you for your letter of April 28, 1962, concerning the propriety of the financing method proposed in Senate bill S. 2965.

We have studied the questions you raised, and feel that serious problems might arise if authorization were granted to transfer to other agencies any of the borrowing authority presently available to finance payment of the balance of the U.S. subscription to the IBRD. In selling its securities to private citizens, the bank's prospectuses warranted that " * * * the Secretary of the Treasury of the United States is authorized, without any requirement of further congressional appropriation, to pay the \$5,715 million unpaid portion of the subscription of the United States. * * * Representatives of the IBRD have advised us that enactment of S. 2965 might be considered as a breach of faith with bondholders who may have made their

investment in reliance on this information, and might make it difficult for the Bank to sell its obligations in the future.

We have been informed, however, that steps are now underway to amend S. 2965 so as to avoid this problem.

You further asked whether the \$5,715 million can correctly be called an unobligated balance. The Department believes that it is "unobligated" in the sense that the contingency for which it was provided has not occurred, and unless and until it occurs there is no requirement for the future payment of money. On the other hand, it clearly represents a contingent liability of the United States, and in that sense it could be called obligated.

If I can be of further assistance, please do not hesitate to let me know.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary.

Mr. COOPER. Mr. President, I think it is worthwhile to note that the Department of State has been in touch with representatives of the International Bank for Reconstruction and Development on this point. Mr. Dutton reports their opinion that enactment of S. 2965 might be considered as a breach of faith with bondholders, and that it might make it difficult for the Bank to sell its obligations in the future.

Secretary Dutton also says that the \$5,715 million which the committee report on S. 2965 refers to as an unobligated balance, "clearly represents a contingent liability of the United States, and in that sense it could be called obligated."

Mr. President, when the standby public works bill was reported to the Senate 3 weeks ago, I addressed letters the next day, April 26, to the four Federal agencies specified as a source of funds by section 10(b), the financing provision of S. 2965. I have not yet received a reply from the Housing and Home Finance Agency, which is deeply interested in this bill, although the Agency must be aware that the bill was scheduled to be called up immediately after the literacy test debate.

However, I did receive today replies from Mr. Joseph P. McMurray, Chairman of the Federal Home Loan Bank Board, regarding the effect of this public works financing proposal on the Federal home loan banks, and on the Federal Savings and Loan Insurance Corporation. I had received earlier a very prompt reply from Mr. Earl Cocks, Sr., Chairman of the Federal Deposit Insurance Corporation.

A number of Senators have expressed keen interest in the financing provision of S. 2965. They have pointed out that the agencies concerned did not testify, and that their views were unknown when the Public Works Committee specified the use of their funds in reporting the bill.

My questions to these agencies were designed to obtain basic facts and I did not ask their opinion as to the wisdom or merits of the proposal. But because the official responses of these agencies may contain information of interest to the Senate at this time, I ask unanimous consent that the letters be printed in the RECORD following my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
SELECT COMMITTEE ON
SMALL BUSINESS,
April 26, 1962.

HON. JOSEPH P. McMURRAY,
Chairman, Federal Home Loan Bank Board,
Washington, D.C.

DEAR MR. McMURRAY: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate yesterday by the Public Works Committee, of which I am a member. Section 10(b) of the bill as reported would authorize the President, an agency or officer specified by him, and those delegated in turn, to cause to be transferred to a new public works agency or any other agency, "the unobligated balances of authorizations to expend from public debt receipts available for purchase of obligations issued by the Federal home loan banks."

Since such a transfer would affect the funds otherwise available to your agency, I would like to ask the following questions:

1. What is the statutory authority for purchasing with public debt receipts the obligations issued by the Federal home loan banks?

(a) What are the statutory purposes of this authority, and how was it intended by Congress to be used?

(b) How much money are the Federal home loan banks authorized to borrow from the Treasury for these purposes?

(c) Is this authority a necessary part of the basic purposes or operations of the Federal home loan banks?

(d) Under what conditions are the Federal home loan banks authorized to borrow these funds from the Treasury? Is the Treasury directed to make the loans to the Federal home loan banks under those conditions, or are the loans made at the discretion of the Treasury?

2. Extent of use of the Treasury borrowing authority by the Federal home loan banks.

(a) To what extent has this authority been used in the past, and what were the occasions of its largest use?

(b) If this authority, since it was first granted by the Congress, has been increased in amount or broadened in its purposes, or has been decreased in amount or limited in its purposes, what were the reasons for these changes?

(c) To what extent is this authority being used now?

(d) To what extent is this authority likely to be needed in the future?

(e) When would its full use possibly be required?

(f) Even when the authority to borrow funds from the Treasury is not exercised or fully used, does the existence of this authority still serve a useful purpose against contingencies, or contribute to the financial stability and security of the Federal home loan banks?

3. Effect of withdrawn up to \$1 billion from the Treasury borrowing authority available to the Federal home loan banks.

(a) How would such a withdrawal during a minor or severe recession affect the operation and the financial condition of the Federal home loan banks?

(b) Would such a withdrawal impair the credit of the Federal home loan banks?

(c) If it were not replaced by appropriations, or the borrowing authority of the Federal home loan banks were not increased by Congress or otherwise restored, what adverse effects, if any, could result from such a withdrawal?

(d) If it were to be restored, would there be any need to do so sooner than in 27 months?

You may wish to comment also on the general reasons for the existence of large unobligated balances of the Federal home loan banks' authority to borrow from the Treasury. For example, does this result from favorable economic conditions, or the successful operation of the Federal home loan banks? From administrative practices, or the use of alternate sources of funding? From limitations imposed by appropriations acts or reports, or by budgeting policy?

While it now appears that S. 2965 may not be called up in the Senate in the next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible. If a complete answer cannot be prepared quickly, I would like to have a memorandum on the first question 2(f) and 3(a) meanwhile.

I enclose a copy of the bill as reported, and thank you for your attention to this subject.

Sincerely yours,

JOHN SHERMAN COOPER.

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., May 15, 1962.

HON. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR COOPER: This is in response to the questions raised in your letter of April 26 concerning Senate bill 2965. The questions raised in your letter are answered serialim.

1. Section 11(i) of the Federal Home Loan Bank Act, as amended, 12 U.S.C. 1431(i) represents the grant of legislative authority to the Treasury to purchase and hold up to \$1 billion in obligations issued under section 11 of the Federal Home Loan Bank Act. Section 11(i) was added to the Federal Home Loan Bank Act by section 4 of Public Law 576, 81st Congress, 2d session, approved June 29, 1950; 64 Stat., 257.

(a) The statutory purposes of this authority and its intended use are most succinctly expressed at page 4 in Senate Report No. 1536 of the 81st Congress, 2d session, accompanying H.R. 6743, as follows:

"Section 1 of H.R. 6743 should also be considered in the light of section 4 of the bill which authorizes the Secretary of the Treasury to purchase Federal home loan bank obligations up to a total of \$1 billion outstanding at any one time. This section is designed to provide Government support to the Federal home-loan banks in supplying the credit needs of their members in any possible future emergency in which the banks could not obtain sufficient funds in the private money market. Under economic conditions such as those existing at present, the banks do not need this Treasury support nor is any emergency now foreseen when it may be needed. In addition, it is believed that the very existence of this Government support would, under less favorable economic conditions, tend to stabilize the Federal home loan bank system even though the support is not actually used."

(b) The authorization as noted is for up to \$1 billion outstanding at any point in time.

(c) This authority is regarded as a reinforcement of the debt issuing authority of the Federal home loan banks. To the extent that buyers of Federal home loan bank obligations look to beyond the assets of the banks and their ability to raise funds from their own resources, the authority in section 11(i) provides further reassurance. The existence of the authority is regarded as support for the bank system which would tend to render actual need for support unnecessary. (Cf. H. Rept. No. 1540, 81st Cong. 2d sess., p. 4.)

(d) The authority as 1(a) indicates was granted for emergency purposes when funds might not be available from the market. Purchases of any obligations under this authority are at the discretion of the Secretary of the Treasury at a rate of return to be determined by him as provided in the last sentence of section 11(i).

2. (a) The authority has not been used.

(b) The authority has not been amended since its enactment in 1950.

(c) It is not being used now.

(d) It is not possible to specify the extent to which the authority might be needed in the future except to say that if an emergency occurred the authority might be needed to its fullest extent.

(e) Full use of the authority might be needed in a severe decline in economic activity which created disorder in the money and capital markets.

(f) The existence of the authority provided for in section 11(i) has, to a degree, a psychological effect in connection with the sale of consolidated Federal home loan bank bonds in the private money market. In the offering for sale of such bonds, the prospectus will set forth in addition to the combined assets of the respective Federal home loan banks, a statement that under section 11(i) of the Federal Home Loan Bank Act the Secretary of the Treasury may purchase obligations of the banks up to \$1 billion. It is our view that such reference in the prospectus may add to the marketability of such obligations.

3. (a) In a minor recession there would be no material effect. In a severe recession, the possibility of the disruption of the money and capital markets, though remote, is conceivable. The absence of the borrowing authority might place bank system obligations, under such circumstances, in a much less preferred position than would exist otherwise and could seriously reduce the marketability of system obligations. Also, the Secretary of the Treasury would not then be able to fulfill the purposes referred to in 1(a) and 1(c) above.

(b) In our opinion it would not, though it might reduce the clearly favored position held by bank system securities to some degree. There is a much more remote probability that some observers might, since the authority has been of some duration, regard extended withdrawal as a major change in Government attitude.

(c) Except for the points, made in 3(a) and 3(b), we can see no other effects.

(d) The more quickly the authority were restored, even though it may be argued that the authority is ordinarily only of symbolic value, the smaller the likelihood that erroneous interpretations might be placed on the intent of Congress. Confidence is an important element in the operation of any financial system. Removal of an element on which confidence has been based, even though logic may argue against the continued relevance of the element, could induce irrational responses in some quarters. We would, therefore, prefer the shortest possible period between withdrawal and restoration.

It is our understanding that the time period of 27 months does not apply to the restoration of the unobligated authority. As section 10(b) reads, there would be nothing to preclude the Congress from restoring the funds at the earliest opportunity. Assuming that Congress was not in session when the funds were transferred to the public works program, this might mean a delay from 3 to 6 months.

The major reasons for the existence of large unobligated balances in the authority of the Treasury to purchase bank system obligations rest on the relative economic stability since the enactment of the authority; the high order of performance of

the money and capital markets, reflecting to an important degree skillful monetary management; and the probity and soundness of the Federal home loan bank system. Other than the specified criteria underlying the authority, no barrier has been imposed upon its use.

We hope that you find our reply fully responsive. If you have any other questions, please do not hesitate to call upon us.

Sincerely,

JOSEPH P. McMURRAY,
Chairman.

APRIL 26, 1962.

HON. WILLIAM H. HUSBAND,
General Manager, Federal Savings and Loan Insurance Corporation, Federal Home Loan Bank Board Building, Washington, D.C.

DEAR MR. HUSBAND: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate yesterday by the Public Works Committee, of which I am a member. Section 10(b) of the bill as reported would authorize the President, an agency or officer specified by him, and those delegated in turn, to "cause to be transferred" to a new public works agency or any other agency "the unobligated balances of authorizations to expend from public debt receipts available for loans to the Federal Savings and Loan Insurance Corporation."

Since such a transfer would affect the funds otherwise available to your agency, I would like to ask the following questions:

1. What is the statutory authority for loans to the FSLIC from public debt receipts?

(a) What are the statutory purposes of this authority, and how was it intended by Congress to be used?

(b) How much money is the FSLIC authorized to borrow from the Treasury for these purposes?

(c) Is this authority a necessary part of the basic purposes or operations of the FSLIC?

(d) Under what conditions is the FSLIC authorized to borrow these funds from the Treasury? Is the Treasury directed to make the loans to FSLIC under those conditions, or are the loans made at the discretion of the Treasury?

2. Extent of use of the authority for loans to the FSLIC from public debt receipts.

(a) To what extent has this authority been used in the past, and what were the occasions of its largest use?

(b) If this authority, since it was first granted by the Congress, has been increased in amount or broadened in its purposes, or has been decreased in amount or limited in its purposes, what were the reasons for these changes?

(c) To what extent is this authority being used now?

(d) To what extent is this authority likely to be needed in the future?

(e) When would its full use possibly be required?

(f) Even when the authority to borrow funds from the Treasury is not exercised or fully used, does the existence of this authority still serve a useful purpose against contingencies, or contribute to the financial stability and security of the FSLIC?

3. Effect of withdrawing up to \$750 million from the loan funds available to the FSLIC from public debt receipts.

(a) How would such a withdrawal during a minor or severe recession affect the operations and the financial condition of the FSLIC?

(b) Would such a withdrawal impair the credit of the FSLIC?

(c) If it were not replaced by appropriations, or the borrowing authority of the FSLIC were not increased by Congress or otherwise restored, what adverse effects, if any, could result from such a withdrawal?

(d) If it were to be restored, would there be any need to do so sooner than in 27 months?

You may wish to comment also on the general reasons for the existence of large unobligated balances of FSLIC authority to borrow from the Treasury. For example, does this result from favorable economic conditions, or the successful operation of the FSLIC? From administrative practices, or the use of alternate sources of funding? From limitations imposed by appropriations acts or reports, or by budgeting policy?

While it now appears that S. 2965 may not be called up in the Senate in the next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible. If a complete answer cannot be prepared quickly, I would like to have a memorandum on the first question, 2(f) and 3(a) meanwhile.

I enclose a copy of the bill as reported, and thank you for your attention to this subject.

Sincerely,

JOHN SHERMAN COOPER.

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION, FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., April 26, 1962.

Hon. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOPER: Since the Federal Home Loan Bank Board is the administrative head of the Federal Savings and Loan Insurance Corporation, I am referring your letter of April 26, 1962, to the Chairman of the Board. I am sure your communication will be given prompt attention.

Sincerely yours,

WILLIAM H. HUSBAND,
General Manager.

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., May 15, 1962.

Hon. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOPER: The Federal Home Loan Bank Board has considered the questions posed in your letter of April 26 to the General Manager of the Federal Savings and Loan Insurance Corporation and has approved this response. For convenience, our answers are set forth in the order in which the inquiries are presented in your communication:

1. The statutory authority for loans to the FSLIC from public debt receipts is established by section 402(1) of title IV of the National Housing Act, as amended.

(a) The statutory purposes of the authority and the intent of the Congress are indicated by the language of the statute itself. First, it would appear that the Congress wished to bolster confidence in the insurance program and to underwrite the Corporation's liabilities; and, second, there was apparent intent to keep the Corporation out of the money market by substituting this authority for its original right to borrow privately. Indeed, the statute itself declares that "the Corporation hereafter shall not exercise its borrowing power . . . for the purpose of borrowing money from any other source."

(b) The FSLIC is authorized to borrow an amount "not exceeding in the aggregate \$750 million outstanding at any one time."

(c) Such authority is believed to be a vital and necessary part of the basic purposes or operations of the FSLIC.

(d) The Treasury is directed to make the loans, as evidenced by the following provisions of the law.

"The Corporation is authorized to borrow from the Treasury, and the Secretary of the Treasury is authorized and directed to loan to the Corporation on such terms as may be fixed by the Corporation and the Secretary, such funds as in the judgment of the Federal Home Loan Bank Board are from time to time required for insurance purposes."

2. Use of the authority for loans to the FSLIC from public debt receipts.

(a) The authority has never been used in the past.

(b) There has been no change in the amount of the authorized borrowing since the authority was first granted.

(c) There is no current use of the borrowing authority.

(d) The need to make use of the borrowing authority in the future is most difficult to appraise. Indeed, we may be confronted with a dilemma. On the one hand, the very existence of the authority bolsters public confidence and minimizes the need for such borrowing. On the other hand, the elimination of the authority could weaken this all-important element of public confidence and create resulting problems which could bring about a need for borrowing.

(e) We believe the preceding response is applicable to this question.

(f) As indicated under (d), the existence of the authority still serves a useful purpose because it does contribute to the financial stability and security of the FSLIC.

3. Effect of withdrawing up to \$750 million from the loan funds available to the FSLIC from public debt receipts.

(a) Based upon past experience we do not anticipate use of the borrowing authority to meet conditions created by minor recessions. In the event of a severe recession the existence of the borrowing authority would bolster public confidence and, as indicated above, deter its possible actual use.

(b) Since the FSLIC cannot now borrow from private sources, there of course could not be any impairment of its credit.

(c) The adverse effects of withdrawal or diminution of the borrowing authority are likely indicated by our responses to 2(d) and 2(f).

(d) We believe this question is answered by the other responses.

We are also glad to give you our general comments bearing mainly upon the existence of the large unobligated balance. Probably this has been caused in part by sound administration, but, to an even greater extent, by favorable economic conditions.

No one can predict the contingencies of the future. Assuming that the funds were employed for some brief period and Congress restored the Corporation's borrowing authority promptly, we could see only the remotest possibility of difficulty. Nevertheless, the intent of Congress might be misinterpreted unless there were clear, explicit affirmation by Congress of the continued support of the insurance program.

I trust that the above observations will give assistance in your study of S. 2965, and, naturally, I will be happy to furnish any additional information that you may desire.

Sincerely yours,

JOSEPH P. McMURRAY,
Chairman.

APRIL 26, 1962.

Hon. ERLE COCKE, Sr.,
Chairman, Federal Deposit Insurance Corporation, National Press Building, Washington, D.C.

DEAR MR. CHAIRMAN: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate yesterday by the Public Works Committee, of which I am a member. Section 10(b) of the bill as reported would authorize the President, an agency or officer specified by him, and those

delegated in turn, to "cause to be transferred" to a new public works agency or any other agency "the unobligated balances of authorizations to expend from public debt receipts available for loans to the Federal Deposit Insurance Corporation."

Since such a transfer would affect the funds otherwise available to your agency, I would like to ask the following questions:

1. What is the statutory authority for loans to the FDIC from public debt receipts?

(a) What are the statutory purposes of this authority, and how was it intended by Congress to be used?

(b) How much money is the FDIC authorized to borrow from the Treasury for these purposes?

(c) Is this authority a necessary part of the basic purposes or operations of the FDIC?

(d) Under what conditions is the FDIC authorized to borrow these funds from the Treasury? Is the Treasury directed to make loans to FDIC under those conditions, or are the loans made at the discretion of the Treasury?

2. Extent of use of the authority for loans to the FDIC from public debt receipts.

(a) To what extent has this authority been used in the past, and what were the occasions of its largest use?

(b) If this authority, since it was first granted by the Congress, has been increased in amount or broadened its purposes, or has been decreased in amount or limited in its purposes, what were the reasons for these changes?

(c) To what extent is this authority being used now?

(d) To what extent is this authority likely to be needed in the future?

(e) When would its full use possibly be required?

(f) Even when the authority to borrow funds from the Treasury is not exercised or fully used, does the existence of this authority still serve a useful purpose against contingencies, or contribute to the financial stability and security of the FDIC?

3. Effect of withdrawing up to \$2 billion from the loan funds available to the FDIC from public debt receipts.

(a) How would such a withdrawal during a minor or severe recession affect the operations and the financial condition of the FDIC?

(b) Would such a withdrawal impair the credit of the FDIC?

(c) If it were not replaced by appropriations, or the borrowing authority of the FDIC were not increased by Congress or otherwise restored, what adverse effects, if any, could result from such a withdrawal?

(d) If it were to be restored, would there be any need to do so sooner than in 27 months?

You may wish to comment also on the general reasons for the existence of large unobligated balances of FDIC authority to borrow from the Treasury. For example, does this result from favorable economic conditions, or the successful operation of FDIC? From administrative practices, or the use of alternate sources of funding? From limitations imposed by appropriations acts or reports, or by budgeting policy?

While it now appears that S. 2965 may not be called up in the Senate in the next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible. If a complete answer cannot be prepared quickly, I would like to have a memorandum on the first question, 2(f) and 3(a) meanwhile.

I enclose a copy of the bill as reported and thank you for your attention to this subject.

Sincerely,

JOHN SHERMAN COOPER.

FEDERAL DEPOSIT INSURANCE
CORPORATION,
Washington, April 27, 1962.

HON. JOHN SHERMAN COOPER,
U. S. Senate, Washington, D.C.

DEAR SENATOR COOPER: In your letter of April 26, 1962, relating to section 10(b) of Senate bill 2965, known as the Standby Public Works Act of 1962, you ask certain questions, which are set forth below and numbered as in your letter with our answers.

"1. What is the statutory authority for loans to the FDIC from public debt receipts?"

Answer: "Section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824) provides: 'The Corporation is authorized to borrow from the Treasury, and the Secretary of the Treasury is authorized and directed to loan to the Corporation on such terms as may be fixed by the Corporation and the Secretary, such funds as in the judgment of the Board of Directors of the Corporation are from time to time required for insurance purposes, not exceeding in the aggregate \$3 billion outstanding at any one time: *Provided*, That the rate of interest to be charged in connection with any loan made pursuant to this section shall not be less than the current average rate on outstanding marketable and nonmarketable obligations of the United States as of the last day of the month preceding the making of such loan. For such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include such loans. Any such loan shall be used by the Corporation solely in carrying out its functions with respect to such insurance. All loans and repayments under this section shall be treated as public-debt transactions of the United States'."

"(a) What are the statutory purposes of this authority, and how was it intended by Congress to be used?"

Answer: "As stated in the next to last sentence of the above-quoted section 14, 'Any such loan shall be used by the Corporation solely in carrying out its functions with respect to such insurance.'"

"(b) How much money is the FDIC authorized to borrow from the Treasury for these purposes?"

Answer: "Three billion dollars."

"(c) Is this authority a necessary part of the basic purposes or operations of the FDIC?"

Answer: "This authority is an extraordinary one to supply the Corporation with immediate borrowing power at any time when the Deposit Insurance Fund, which at the end of 1961 was \$2,354 million, becomes inadequate to meet the Corporation's insurance responsibilities."

"(d) Under what conditions is the FDIC authorized to borrow these funds from the Treasury? Is the Treasury directed to make the loans to FDIC under those conditions, or are the loans made at the discretion of the Treasury?"

Answer: "Under the above-quoted section 14, when in the judgment of the Board of Directors of the Federal Deposit Insurance Corporation funds are required for insurance purposes the Corporation is authorized to borrow such funds up to the statutory limit of \$3 billion and the Secretary of the Treasury is directed to loan such funds on such terms as are fixed by the Corporation and the Secretary."

"2. Extent of use of the authority for loans to the FDIC from public debt receipts."

"(a) To what extent has this authority been used in the past, and what were the occasions of its largest use?"

Answer: "This authority has never been used."

"(b) If this authority, since it was first granted by the Congress, has been increased in amount or broadened in its purposes, or has been decreased in amount or limited in its purposes, what were the reasons for these changes?"

Answer: "This borrowing authority was provided originally in the Banking Act of 1933 in an amount aggregating not more than three times the Corporation's capital (\$289,299,556.99) or \$867,898,670.97 (subsec. (c) of sec. 12B of the Federal Reserve Act, as amended). In 1935 this authority was increased to an amount aggregating not more than three times the amount received by the Corporation in payment of its capital stock and in payment of the assessments upon insured banks for the year 1936 (\$35,557,817.67) resulting in a borrowing authority of \$974,572,123.98. In 1947 the borrowing authority was increased to an amount not exceeding \$3 billion outstanding at any one time. The committee reports on the increase to \$3 billion did not expressly state the reason for the increase. Statements by Mr. Maple T. Earl, then Chairman of the Corporation, at the Senate and House hearings on the 1947 legislation are attached. However, the report of the House Committee on Banking and Currency (H. Rept. No. 1076, 80th Cong., 1st sess., p. 3) showed the ratio of the capital, surplus and borrowing power of the Corporation to total deposits for the years 1934 to 1946 with a decline from 3.16 to 1.37 percent. The increase of the borrowing authority to \$3 billion increased such ratio to 2.73 percent of total deposits as of the end of 1946. The same act that provided for the increase in borrowing authority, provided for the retirement of capital stock of approximately \$289 million from income of the Corporation so long as the capital funds of the Corporation were not reduced below \$1 billion. The capital stock was fully retired by payments into the Treasury in 1947 and 1948. By legislation in 1950 Congress directed the payment by the Corporation of interest in the amount of \$80.6 million to the United States Treasury on the capital stock advances."

"(c) To what extent is this authority being used now?"

Answer: "This authority has never been used."

"(d) To what extent is this authority likely to be needed in the future?"

Answer: "The extent to which this authority is likely to be needed in the future is unpredictable and dependent upon the severity and extent of adverse economic conditions which might arise. The Comptroller General of the United States in the report on the audit of the Corporation for year ended June 30, 1961, in his opinion of financial statements of the Corporation said, 'We cannot express an opinion on the adequacy of the deposit insurance fund to meet future losses because the amount that may be needed is dependent on future economic conditions.' Prior GAO audit reports express like opinions."

"(e) When would its full use possibly be required?"

Answer: "The full use of the Corporation's borrowing authority will be required only in the event of a recurrence of conditions comparable to the more severe financial crises of the past (see further discussion in answer 3a below)."

"(f) Even when the authority to borrow funds from the Treasury is not exercised or fully used, does the existence of this authority still serve a useful purpose against contingencies, or contribute to the financial stability and security of the FDIC?"

Answer: "The existence of the authority of the Federal Deposit Insurance Corporation to borrow funds from the Treasury serves a useful purpose against contingencies and contributes to the financial stability and security of the Corporation and to the public confidence in the banking system. The deposit insurance fund of the Corporation, which was \$2,354 million on December 31, 1961, amounted to 0.84 percent of total deposits in insured banks on that date. The \$3 billion borrowing authority of the Corporation when added to the deposit insurance fund increases the percentage of potential funds available for protection of depositors (up to the maximum of \$10,000 for each depositor) to approximately 1.90 percent of total deposits in insured banks."

"3. Effect of withdrawing up to \$2 billion from the loan funds available to the FDIC from public debt receipts."

"(a) How would such a withdrawal during a minor or severe recession affect the operations and the financial condition of the FDIC?"

Answer: "The effect of withdrawing up to \$2 billion from the authority of the Treasury to make loans to the Federal Deposit Insurance Corporation from public debt receipts would have little, if any, effect upon the operations and financial condition of the Corporation during a recession such as the four postwar recessions mentioned in the report of your committee on S. 2965 (S. Rept. No. 1358, 87th Cong., 2d sess., p. 3)."

"From a study of 'Actuarial Data Relevant to Deposit Insurance,' set forth in the Corporation's Annual Report to Congress for 1957 (pp. 49, 71-72), it may be concluded that such a withdrawal would not have impaired the ability of the Corporation to meet its insurance obligations during a recession such as that occurring in 1921, nor during the ensuing periods of banking failures through 1929."

"The same study contains the following comment on the depression of the early thirties:

"There is no question that the present deposit insurance fund would be entirely inadequate should, for example, a situation similar to that of 1930-33 recur. After a careful analysis we have concluded that in order to make the necessary disbursements in such a situation the Corporation would need to have at its disposal available funds equal, as a minimum, to 5 percent of the total deposits in all operating banks. This figure assumes that the necessary principal disbursements would have been only 37 percent of the deposits in the closed banks in comparison with the Corporation's experience of 50 percent. Since the fund today is only 0.80 percent of total deposits (and with the assured borrowing power only 2.2 percent of total deposits) the inadequacy is obvious. As a matter of fact, it would require all of the present deposit insurance fund plus all of the \$3 billion borrowing power to absorb only the losses that would occur in such an emergency."

"To what extent can we expect a situation such as that of 1930-33 to recur? Certainly, we can conceive of the possibility of a severe economic downturn, accompanied by large numbers of bank failures. Neither the public confidence engendered by the existence of Federal deposit insurance nor the improvements in banking or bank supervision would be sufficient to prevent these failures, which would be a consequence of economic dislocations of a fundamental nature. However, because the Federal Government is committed, under the Employment Act of 1946, to follow policies which will stimulate full employment, and in view of the knowledge and authority now possessed

by various agencies of the Federal Government, it is reasonable to assume that we will be able to avoid the prolongation of a serious depression." (It is further reasonable to assume that the President under the proposed legislation could expedite the remedies referred to above.)

"(b) Would such a withdrawal impair the credit of the FDIC?"

Answer: "The Corporation has no authority to borrow from any source other than from the Treasury, as provided in section 14 of the Federal Deposit Insurance Act quoted above in answer to your question one. Therefore, any such withdrawal would reduce the credit available to the Corporation."

"(c) If it were not replaced by appropriations, or the borrowing authority of the FDIC were not increased by Congress or otherwise restored, what adverse effects, if any, could result from such a withdrawal?"

Answer: "The adverse effects, if any, resulting from such withdrawal not restored would depend entirely upon the severity of adverse economic conditions which might arise."

"(d) If it were to be restored, would there be any need to do so sooner than in 27 months?"

Answer: "It is conceivable that, in the event of the closing of a substantial number of insured banks, an early or immediate restoration of any such withdrawals could be necessary. (Our information is that the 27-month period applies only to the duration of the public works acceleration period and not to the restoration of the authority by Congress.)"

In response to your general question following question 3d, the lack of use of the Corporation's only borrowing authority has resulted, in our opinion, from the generally favorable economic conditions since the Corporation was established and the improvement in the management of banks and in the standards governing the establishment, operation and supervision of banks.

Trusting that this letter fully answers your questions, I am

Sincerely yours,

ERLE COCKE, Sr.,
Chairman.

STATEMENT BY MR. MAPLE T. HARL

In the hearings before the Senate Committee on Banking and Currency in 1947 with reference to the legislation raising the borrowing authority of the Corporation to \$3 billion, Mr. Maple T. Harl, Chairman of the Corporation, made the following statement (pp. 11-12):

"As you know we have a borrowing authority of half a billion dollars from the Treasury, or the RFC. We would recommend that that be repealed and the borrowing authority from the RFC be repealed, likewise the half billion from the Treasury and in lieu thereof we be allowed to borrow when and if necessary three times our asset position, which if it was a billion we would have a call of \$3 billion on the Treasury for these unforeseen contingencies such as we had in 1932, when, you know, the position in your State, it took about \$4 billion to save the banks but we think the banks are in a very, very strong position and the President in his budget message also took that position."

In the hearings before the House Committee on Banking and Currency on the same legislation Mr. Harl made the following statement (pp. 47):

"When the Corporation's borrowing power was fixed as it now exists in the law, that is, in 1935, the potential obligation to insured depositors was about one-fourth of what it is today. With the retirement of the capital stock, which will reduce the Corporation's resources by \$289 million, we think it appropriate that the Corporation be authorized to borrow from the Secretary of the Treasury in a maximum amount at any one time

which will be about three times its surplus, namely \$3 billion. In this way the depositing public, the holders of over \$90 million deposit accounts, would be more than ever assured not only of the financial stability of the Corporation but also of the Government's intention to support and sustain the soundness of the Federal Deposit Insurance System."

AMENDMENT OF THE AGRICULTURAL ACT OF 1956

The PRESIDING OFFICER Mr. HICKEY (in the chair). Is there further morning business? If not, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

DIVIDEND AND INTEREST WITHHOLDING PROVISIONS OF H.R. 10650

Mr. ROBERTSON. Mr. President, the proposed Revenue Act of 1962, as my colleagues know, has passed the House and is now before the Senate Committee on Finance. Section 19 of that bill (H.R. 10650) relates to the collection at source of income tax on interest and dividends. For the first time, it would impose widespread withholding on interest and dividends, with certain exceptions and exemptions.

As a member of the Committee on Ways and Means of the House for nearly 10 years, I helped to write 12 major tax bills. These included the imposition of drastic taxes on the income of corporations—the excess profits taxes, and the imposition of the biggest increase in personal income taxes that Congress has ever made at any one time.

Of these bills and of all the other income tax bills which I have voted on during the 29 years I have been in Congress, the present bill is by far the most unpopular.

I have gotten more mail opposing various provisions of H.R. 10650—especially the provision for withholding tax from dividends and interest—than I have gotten on any one bill in recent years.

If this section of the bill should be reported without change to the Senate floor, I shall oppose it. I believe that withholding on interest and dividends at this time is impractical, unnecessary, and unwise.

During the 1st session of the 78th Congress, I was a member of the House Ways and Means Committee that reported the so-called Current Tax Payment Act of 1943. The bill, after amendment on the House floor, came over to the Senate as H.R. 2570. It provided for the current payment of taxes on salaries and wages largely by means of a withholding system. It set up a formula designed to relieve taxpayers, to an equitable degree, from double payments in 1943 for income earned in 1942 as well as in 1943. The bill also provided for declarations of estimated income to be made, and for quarterly payments to be made against this estimate to the extent that any tax liability was not met through withholding.

As a member of the House Ways and Means Committee, I took an active part in the hearings as well as in the floor debate on the bill that finally passed. I was, of course, pleased that the basic 20-percent withholding rate and the forgiveness formula included in the House bill were in line with proposals that I had advanced to the Ways and Means Committee early in the hearings on the bill.

The final version of the Current Tax Payment Act of 1943, as adopted in conference, represented the outcome of 8 days of deliberation between the House and Senate conferees. For the first 5 days or so, the conferees discussed various plans for compromise but remained deadlocked. The House conferees would not accept the Senate bill, nor would the Senate conferees accept the House bill. Finally, an acceptable compromise was developed.

As a result, the conference bill contained some basic changes in the bill approved by the House, and included only part of the proposals I had originally endorsed. Even so, I voted for the conference report as the best compromise that seemed possible under the circumstances. In the House debate over the conference report, I remarked on the floor:

I wish the official record to show I have never wavered in the personal belief that the plan I first proposed to the Ways and Means Committee and which was finally adopted by the House was the best solution of a difficult problem.

I concluded by saying:

In voting for the conference report I will at least have the personal satisfaction that the 20-percent-withholding plan I proposed to the Ways and Means Committee will be written into law.

Today, as in 1943, I favor the principle of withholding on wages and salaries.

However, my earlier technical experience as a member of the House Ways and Means Committee for nearly 10 years, combined with my study of the bill now pending before the Senate Finance Committee, has convinced me that the extension of withholding to cover interest and dividends would not be advisable at this time.

In that respect, I call the attention of Senators to the conclusion reached 19 years ago by both the House Committee on Ways and Means and the Senate Committee on Finance. The report of each committee, relating to the proposed Current Tax Payment Act of 1943, contained identical language as follows:

Your committee found it impracticable to apply the withholding provisions to income other than wages as defined in the bill. Therefore, taxpayers receiving income from business, farming, rents and royalties, interest and dividends, wages received for domestic service in a private home, and wages received from agricultural labor, are not included in the withholding provisions of the bill.

The Senate again in 1950 rejected a provision to withhold tax on dividends, and it rejected in 1951 withholding tax on dividends and interest.

The question now at issue is not whether income from dividends and interest is taxable. This income has been

taxable for many years. Nor is there any question about the authority of the Internal Revenue Service to collect taxes, whether on income from dividends, interest, salaries, wages, or other sources. Everyone should pay his fair tax share.

The question now before us relates solely to methods of preventing avoidance of tax on income from dividends and interest. In that respect, I see no need at this time for withholding as a solution to the problem. What both the House and Senate committees found to be "impracticable" in 1943 still remains impracticable now.

The dividend and interest withholding approach appears to be based upon the assumption that American taxpayers are dishonest. This is contradicted by our almost 50 years' experience with the self-assessment tax system.

A vital distinguishing feature of the American income tax is that it is self-assessing. We permit our taxpayers to make out their own tax returns and compute their own tax liabilities. It is a striking tribute to the honesty and patriotism of the American people that this system has worked.

Essentially, our tax system puts the taxpayer on his honor. And, by and large, the American taxpayer has responded to the challenge.

Now, however, we are confronted with a proposal which would apply across the board to dividend and interest recipients, without regard to their past record for conscientious and accurate income reporting. Admittedly, the proposal is designed solely to catch tax evaders. But its sweeping rules apply with equal force to the most conscientious and meticulously careful taxpayers—and, even much worse, to hit persons of small incomes, those who are not taxpayers.

This withholding proposal is not directly analogous to wage withholding. Wage withholding was a collection technique and a necessary step in placing income tax collections on a current basis. This dividend and interest withholding proposal appears to be designed simply as a weapon to catch nonreporters of taxes, and it would operate by treating every dividend and interest recipient as though he were a tax evader. This is repugnant to the traditions of our income tax as a self-assessing system.

The Secretary of the Treasury, in testifying before the Committee on Finance on April 2, 1962, offered as an exhibit for the record a number of examples of substantial underreporting or nonreporting of dividends and/or interest in recent fraud prosecution cases. I feel that isolated cases such as these do not of themselves justify the need for withholding. Instances of fraud and mistake are unfortunately likely to occur no matter what the method of revenue collection may be.

At the same hearing before the Committee on Finance, the Secretary of the Treasury made the following comment, at page 90 of part I of the published hearings:

Most dividend and interest recipients are responsible taxpayers who faithfully report each year about \$15 billion of such income. There is, however, about \$3 billion of in-

terest and dividends received by taxable individuals which is not reported. That shortage results in a revenue loss of more than \$800 million annually, which must be made up by the general taxpayer.

Incidentally, the Secretary of the Treasury does not tell us that all of the estimated \$3 billion dividend and interest gap would be subject to tax if it were reported.

This estimated degree of underreporting or nonreporting of taxable interest and dividend income, I believe, does not necessarily justify the need for withholding at source. On the contrary, it may only justify the need for more intensive public efforts to inform responsible taxpayers who are not yet completely aware that interest and dividends should be fully reported.

So far, we have had little experience by which to evaluate the revenue effects of more intensive informational efforts. A nationwide informational campaign, undertaken with the cooperation of the major financial institutions and the Treasury, became widespread only as recently as 1960. The results have not been fully reflected in the Treasury's estimates of underreporting or nonreporting. Actually, the Treasury estimates relate in large part to underreporting or nonreporting of interest and dividends in 1959, 1 year before the informational campaign was well underway.

In fact, the Commissioner of Internal Revenue himself admitted, as recently as January of this year, that "we have no solid platform of experience with enforcement drives on dividends and interest alone from which we can build reliable estimates." This statement is reproduced at page 167 of part I of the published hearings before the Senate Finance Committee. This and other material suggest to me that a continued and intensified campaign of taxpayer information, coupled with the prospect of imminent automatic data processing of tax returns, might well produce a revenue yield substantially greater than what the Treasury has estimated.

In this connection, I propose that immediate consideration be given to the inclusion in the Internal Revenue literature of more explicit instructions, so as to inform taxpayers in greater detail about reporting dividend and interest income. The tax-reporting forms themselves might be revised, so as to alert taxpayers to the need to declare income from these sources. The forms on which declarations of estimated future taxes are made might also include instructions to insure that all taxpayers understand that income from dividends and interest should be reported, just as income from wages, salaries, and other sources is.

Another step which I believe worthy of consideration would require designated payers of interest to report to the Treasury all interest payments as low as some minimum amount such as \$50 or \$10. This would extend reporting coverage to include substantially all recipients of income from dividends and interest. Dividend payments of \$10 or more and interest payments of \$600 or more are reported currently to the Treasury.

With the computers and office machines now available, I am confident that when the taxpayer account number system goes into effect, all these reports can be assembled and classified readily and simply, and at relatively little expense.

As a matter of principle, withholding on wages and salaries represents a much different matter from withholding on dividends and interest. Withholding on wages and salaries consists of deductions from current income derived from gainful employment. Withholding on dividends and interest potentially covers a much wider spectrum of the population, by including recipients who may or may not be gainfully employed. It is one thing to withhold from income derived from rendering current services. It is another thing to withhold income derived as a return on capital saved from the rendering of past services.

Withholding on dividends and interest would, of course, reduce the rate at which capital is accumulated in our major financial institutions through the process of compounding returns on savings accounts. This would occur at the very time when more—not less—saving is needed in order to finance economic growth. Dividend and interest accumulations are an important source of capital growth. They also provide a means of raising capital at minimum cost—at a lower cost, presumably passed on either in the form of higher dividends or in the form of lower lending rates than those which otherwise might prevail.

Perhaps the most dramatic impact that withholding might have in reducing capital accumulation through compounding is represented by the case of mutual savings banks. In 1961, mutual savings banks reported a net deposit gain of about \$1,913 million. During the same year, mutual savings banks credited interest of \$1,330 million—equivalent to more than two-thirds of their total net deposit gain. If a 20-percent withholding tax had been imposed upon interest credited by mutual savings banks last year, and if all interest after withholding had been credited to existing accounts, and not withdrawn, the net deposit gain of mutual savings banks might have been reduced by as much as \$266 million, or by roughly one-seventh. Similar, although not identical, reductions would probably occur for savings growth in commercial banks and in savings and loan associations.

The proposed dividend and interest withholding scheme has other questionable features. Despite the experience developed under the wage-withholding system, it is proposed that the Revenue Service embark on this withholding scheme with virtually no reporting requirements imposed upon the withholding agents.

Under the plan, persons withholding 20 percent from interest and dividend payments would not be required to give to the recipients of these payments any receipts or notices whatsoever of the amounts withheld from them. Furthermore, the withholding agents would not even be required to report to the Revenue Service the amounts withheld from

each individual. Instead, they would merely report to the Government the gross amount withheld from everyone in the aggregate, leaving both the payees and the Revenue Service without a record of the amount withheld from each person.

Mr. JORDAN. Mr. President, at this point will the Senator from Virginia yield?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from North Carolina?

Mr. ROBERTSON. I yield.

Mr. JORDAN. If it is assumed that a great many taxpayers are not paying the full amount of tax they should pay—in other words, that they are, we might say, crooks—does not this provision of the bill open wide the door to further dishonesty, inasmuch as under this provision one could make a claim on the Government for an amount not owed him, and it would be returned to him?

Mr. ROBERTSON. I was about to discuss that point. This provision would open wide the door to a large amount of fraud; one would only have to say, "I overpaid by such and such an amount," and the Bureau of Internal Revenue would have it returned to him, inasmuch as the Bureau would not know the amount he had actually paid. So if one wished to be a crook, this provision of the bill would make it easily possible—for there would be no accounting, and no receipt would be given by the Treasury; and a taxpayer might overpay in the amount of \$10, but then might claim an overpayment of \$1,000, and the Treasury would have to pay it to him.

Mr. JORDAN. In other words, would not this provision open wide the door to the making of considerable amounts of improper refund claims?

Mr. ROBERTSON. Certainly it would. The Treasury's lawyers have always been regarded as very well qualified; and I cannot imagine that one of them would send to Congress a bill containing such a provision. I cannot support it, and I do not believe the Senate will support it.

Mr. JORDAN. I thank the Senator from Virginia for yielding to me. I wished to help clarify that one point.

Mr. ROBERTSON. I have been very glad to yield to the distinguished Senator from North Carolina.

Mr. President, as the Senator from North Carolina has said, an individual receiving a dividend or interest payment would have no documentary proof whatsoever of the amount withheld. I do not see anything in the withholding mechanism which would permit a dividend or interest recipient to meet the burden of proof of establishing the amount withheld, if he has a tax dispute in court. Such a system would have no relationship to the wage withholding system, in which the withholding agent is required to furnish both the employee and the Government with a copy of the form W-2 showing the amount of the compensation and the amount of the tax withheld from it.

The dividend and interest withholding proposal might indeed invite attempts to defraud the Treasury as has been pointed

out by my distinguished friend, the Senator from North Carolina. The Government would have no records with which to verify or deny claims for refund of overwithheld amounts, except for reports of gross payments of interest or dividends. In most cases, there might be no opportunity to match taxpayer receipts from the withholding agent with information furnished by the withholding agent to the Government with respect to the individual income recipient, as the wage withholding forms W-2 are now matched. All such receipts are being dispensed with in an effort to make the dividend- and interest-withholding proposal palatable.

Dishonest persons owing no tax might defraud the Government by overstating the amount of their dividend and interest income and claiming refund of the tax purportedly withheld. Criminals could defraud the Government by submitting tax returns under false names for imaginary taxpayers, showing little or no tax and claiming refunds of the amounts asserted to have been withheld. The Revenue Service would have no information which would enable it to check on these fraudulent refund claims. Apparently, they would be accepted and paid without question. The only hope of avoiding abuses of this type would be through reliance on the supposed deterrent effect of criminal prosecution of defrauders turned up in occasional spot checks.

I repeat that the average American taxpayer is not dishonest. But the proposed plan could greatly increase dishonesty and could be a boon to the unscrupulous.

Some taxpayers will doubtless assume that the 20-percent amount withheld is all the tax that is due, even though their tax brackets are considerably in excess of the 20-percent minimum tax rate. For these persons, dividend and interest withholding may produce a revenue loss rather than a gain.

Not all types of interest payments would be subjected to withholding tax. For example, payments by individuals on personal loans and on home mortgages would not be covered by the withholding plan. Consequently, with no withholding receipts to help the recipients of interest payments to identify the interest which has been subjected to withholding, many people will have a difficult time distinguishing between the interest they receive which has been reduced by withholding and the other interest payments they receive which have not been subjected to withholding. If they erroneously treat interest payments from which tax has been withheld as not having been subjected to withholding, they will be overpaying their taxes and the Government will have money to which it is not entitled. If, on the other hand, they mistakenly assume that all their interest income has been subjected to withholding, they naturally will claim a credit against their tax to which they are not entitled, with the result that the Government will lose revenue. Since the withholding system would operate without withholding receipts, the Revenue Service would have no way of even knowing this had occurred.

The Congress has been asked to plunge into this adventure with little consideration of its administrative costs. The Treasury itself has estimated that the direct cost to the Government will be \$19 million. I should not be surprised if this is a minimum estimate.

In addition, there is the cost imposed upon the withholding agents. This is the hidden cost. It will amount to many millions of dollars. It may run as high as \$50 million or a \$100 million a year. One witness before the Committee on Finance, representing an association of corporate fiduciaries, estimated that their accounting would be at least trebled by withholding.

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from North Carolina.

Mr. JORDAN. I received a letter from, and had a phone conversation with, the head of one of the Commodity Credit Corporation organizations just this past week. When the farmer puts products into the Commodity Credit Corporation, if they are sold at a profit, the farmer is entitled to a proportionate share of the profits on the products he put into the Corporation. The man said that in their organization they have something over 600,000 member farmers. He said it would be almost impossible for them to withhold on 600,000 farmers at the rate of 20 percent and make a report to the Government. Making such a report would require more help than they now have for running the whole agency. He said he thought it would be an impossibility.

Mr. ROBERTSON. That will be true throughout the Nation, insofar as it applies to income from dividends or interest. Not only the mutual banks and savings and loan associations, but every corporation is to be turned into a collection agency for the Government, regardless of what it costs them to perform that service. In the particular case which the Senator from North Carolina has cited, the cost of doing it may be equal to the cost of running that office at this time.

Mr. JORDAN. I also had a phone call this morning from the head of one of the corporations in North Carolina, which has something over 30,000 stockholders, most of them small stockholders. He said that if they had to do that, it would cost them more than it costs to run the whole office now, because the corporation pays dividends quarterly. He said that four times a year they would have to deduct 20 percent from the dividends paid to those stockholders if they paid quarterly dividends, and they have been doing that. He said such an operation would treble their office expense, and the corporation would make less money because it would have to spend a lot of money on making those deductions, and therefore the stockholders would get less money, because a part of the profits would be spent on deducting the money from the dividends.

I received another letter, from a shoe factory in North Carolina. The person writing the letter said the corporation had 1,000 stockholders. He said they did not have enough of an office force

to do what is proposed in the bill, because it is a small company.

I have had more mail against this measure than against any piece of legislation since I have been in the Senate, a little over 4 years.

Mr. ROBERTSON. The Senator from North Carolina is only one person making that statement. Every one of the 100 Members of the Senate knows that is true of his mail. I have personally had more protests against this bill than any bill I can recall in 29 years. Individuals, intelligent people, sit down and write personal letters. As the Senator from North Carolina has said, corporations feel the injustice of being turned into collection agencies for the Government, regardless of the cost to them, simply because some people may be misinformed, or even dishonest. It is proposed to throw out a dragnet, and those who are honest will get a refund only after a considerable wait. The Government will let them have their money back, not with any interest, but will let them have their money back; but by doing this it is said the Government will catch some of the taxes on interest and dividends that have not been reported.

Mr. JORDAN. In the Senator's opinion, does he not think that a great many persons who are not equipped to handle transactions of this nature would have to hire somebody to get a refund?

Mr. ROBERTSON. They would not know how to frame the request. Under the bill, the people would not have a receipt. They would have to hire a pretty shrewd lawyer to present their claims, but if they got a shrewd lawyer to present their claim, the Internal Revenue Service would not have a shrewd enough lawyer to deny the claim, because the Service would not have any records, either.

Mr. JORDAN. Does not the Senator think that practically every person who had 20 percent of his interest or dividends withheld would write to the bank or building and loan association or corporation and want to know where the 20 percent was that that firm took out of his dividends or interest?

Mr. ROBERTSON. Yes. They would say, "You took it out; now you get it back." I said many years ago that such withholding was not necessary, wise, or practical. In the reports of the House Committee on Ways and Means and of the Senate Finance Committee, which I mentioned earlier, it was stated that withholding of taxes on dividends and interest had been considered, and rejected. In the Senate we have voted twice on the proposal and have turned it down.

I am in favor of collecting taxes on dividends and interest, as well as on every other sort of income. As evidence of that feeling, I point with pride to the fact that, as chairman of the Subcommittee on Treasury and Post Office, I have had a part in the past 2 years in adding more than 4,000 new employees to the Internal Revenue Service to assist it in collecting taxes due the Government.

I sponsored this year, in the bill which has passed the Senate and which is now

in conference, an additional 2,000 more employees.

I have voted for funds for the Internal Revenue Service to buy or to lease computing machines. Everyone is now required to have a social security number. Those numbers can be put into the machines, and the machines will tell whether a person has filed an income tax report. Income tax forms can be put into the machines, and the machines will tell whether the persons have reported dividends and interest. Never before in the history of our Government has there been anything like these machines in the way of catching up with tax dodgers.

Still, some people are not satisfied. Some wish to put every financial institution and every corporation to the expense of withholding. Some wish to require every widow, who does not owe any tax, to go to the expense of getting a refund of money to which the Government was not entitled in the first place.

Mr. President, even if we project the estimate of cost to withholding agents which was made by the sole witness representing a bank who favored the withholding plan in the hearings before the Committee on Finance, the cost for the first year of withholding on \$18 billion of dividends and interest would amount to \$25 million. This, of course, would be in addition to the direct cost to the Government of administering the withholding scheme.

Apparently, corporations paying dividends would be asked to undertake both the cost of withholding and the cost of preparing and submitting to the Revenue Service information returns bearing taxpayer account numbers. The corporations are already required to send in information returns on dividend payments to a shareholder of \$10 or more per year. These information returns are to be coordinated with the taxpayer account number system and fed into the automatic data processing mechanism. This duplication of effort and expense by payers—and by the Government as well—points up the inconsistency between dividend and interest withholding and use of the ADP technique.

Withholding is inferior to the ADP approach in getting at the underreporting of dividend and interest income. In the first place, withholding is coercive, as contrasted with the information return approach which does not penalize the man who is already reporting his dividend and interest income properly.

Furthermore, withholding is inferior to ADP in the case of dividends and interest which are subject to tax at rates in excess of 20 percent. A withholding system without information on the individual payees would be of no help in discovering the individual who fails to report and pay tax at surtax rates on his dividend and interest income.

No matter how elaborate a system of exemption certificates and receipts is devised, it is inevitable that the Government will end up with withheld amounts to which it is not entitled. Some refunds of overwithheld amounts will be so small that taxpayers will not bother to claim them. In other cases, poorly informed small-income recipients

of dividend and interest income will be inadvertently victimized by their Government because they will not understand or be aware of the procedures for claiming exemptions or refunds. This situation will be aggravated by the fact that these people will not receive receipts showing the amounts withheld which would serve to remind them of the amounts due them.

I think it is significant that our neighbor, Canada, attempted to apply withholding to certain types of dividends and interest during World War II, and that this attempt was abandoned in 1945 with the explanation that its elimination would save "a very considerable amount of clerical work and some confusion to small taxpayers."

As a member of the Committee on Appropriations, I have always voted for additional funds requested by the Internal Revenue Service when it was able to absorb them and when it would help to further good administration. I intend to continue to do so. I will support—and I believe the Senate will support—any reasonable request by the Revenue Service for funds to use in obtaining greater compliance with the dividend and interest income-reporting requirements.

There is no question, as I have said before, that income upon dividends and interest is taxable, except when exempted, and that taxes upon such income should be paid in full. As a practical matter as well as a matter of policy, it seems appropriate to encourage taxpayers to pay such taxes, if possible, out of income obtained from sources other than accumulated savings. To impose withholding on dividends and interest would do just the opposite.

I am convinced that we need a more comprehensive effort to inform taxpayers of their liabilities under the present tax laws. Such an effort would, I think, result in greatly increased tax collections. The widespread conviction among taxpayers that withholding on interest and dividends would represent a new tax imposed for the first time is, to my way of thinking, clear evidence of the need for giving more information to taxpayers.

It seems to me quite clear that we will collect virtually all of the taxes due on interest and dividends if we can give clear and complete information to the taxpayers. I believe we should make every effort to do this before we engage in a new withholding program on interest and dividends with all the redtape, all the expense, all the refunds, all the trouble, and all the economic disadvantages which this withholding program would involve.

For these reasons, I urge my colleagues to vote to delete section 19 of the House bill if this section should be reported to the Senate.

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from North Carolina.

Mr. JORDAN. The Senator from Virginia has made a very fine and informative statement in respect to this section of the tax bill. I wish to associate myself with the Senator's remarks because

I think he has very accurately illustrated the hardship which would result not only for institutions which would have to pay the expense of withholding, but also for millions of recipients of dividends and interest from banks, savings and loan institutions, and other accounts. There are literally millions of people involved.

It seems to me this is much like hunting rabbits with an elephant gun. That is what it looks like.

Mr. ROBERTSON. Mr. President, I greatly appreciate the fine tribute the Senator has paid me, not only because it comes from a valued friend, but also because it comes from one of the best-trained businessmen in the Senate. The life of the Senator from North Carolina, up until a few years ago, was spent in business. The Senator has been highly successful as a businessman. He realizes what the proposed withholding tax will mean both to recipients of small amounts, who will have to ask for refunds, and also to financial institutions and corporations which will have to become, without extra compensation, tax collection agencies for the Federal Government; merely because the Government no longer believes the average American taxpayer is honest, and therefore believes that taxes on interest and dividends must be withheld at the source.

Mr. JORDAN. I am certainly in favor of having everyone pay taxes which are due. I do not wish to see anyone fail to pay his taxes, because that would put a greater burden on the people who pay their taxes. However, I have received letters from widows, from children, and from institutions of all descriptions; some written by pencil and some by pen, some on post cards and some typed. I have received communications by the thousands. This was not an inspired thing, as someone may wish to try to inject into the discussion, but is the voice of the people saying, "We do not want this bill."

Since I have received so many objections to the provision, and since I believe these people are correct, I cannot support the section of the tax bill to which the Senator has referred.

Mr. ROBERTSON. My experience has been the same as that of the Senator from North Carolina.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to my colleague from North Dakota.

Mr. YOUNG of North Dakota. I wish to commend the Senator from Virginia for an excellent speech on a subject which probably has attracted more interest on the part of my constituents than any other issue which has come before the Senate in years. I have received thousands of letters about the proposal.

The people do not mind paying their taxes. They will pay their taxes if the right kind of information program is put out to the public.

I fully support the position taken by the Senator from Virginia. I believe we should not invoke compulsory tax laws such as the one proposed if they are not absolutely necessary.

Mr. ROBERTSON. As a friend of mine from Florida used to say, "How true." I thank the Senator.

Mr. President, I yield the floor.

UNSCRUPULOUS AND UNSTABLE SAVINGS ASSOCIATIONS

Mr. BEALL. Mr. President, I consider it my duty, as a U.S. Senator and one closely identified with warning the public about unscrupulous and unstable savings associations, to set the record straight. It would be wrong for me to keep silent when I have special knowledge on a subject about which the public may have formed the wrong impression.

Representative JAMES ROOSEVELT, chairman of the board of the now defunct Family Savings & Home Loan Association at the time I was investigating Family's questionable operations, was subpoenaed by the Montgomery County, Md., grand jury looking into the savings and loan scandal. His appearance before the grand jury was on May 8, last week, and on the same day, May 8, in the early evening, he appeared on WTOP-TV, the Washington outlet for the Columbia Broadcasting System, to say that he had not received any payment "in any way" for his services. His exact words on television, according to the transcript, were:

Contrary to reports, I was not paid in any way for my services during those 60 days. But my investigation of circumstances of that business by an independent attorney and auditor produced what I thought were circumstances which, unless changed, required my resignation. I could not get them changed. Therefore, I immediately resigned.

As this statement followed so closely his appearance before the grand jury, we assume he told the grand jury that he "was not paid in any way" for his services.

Those words should be kept in mind as I make the following disclosures.

Let me briefly review the sequence of events.

On March 31, 1958, I took the floor of the Senate to state that I was deeply concerned about the operations of the Family Savings & Home Loan Association, whose advertising appeared to me to be misleading. Family was advertising that it was a member of the American Council of Independent Savings & Loan Associations, and I discovered that this so-called council was organized by the same men who operated Family, that the management of the two organizations was from the same desk. Family was advertising in big print that its accounts were insured up to \$10,000, and then, in small print, "by American Savings & Loan Indemnity Co.," and I discovered that the address of this latter company was a letterdrop in the Republic of Panama, and furthermore, that it was operated by the very same men who ran Family. On the so-called indemnity company's letterhead, Toronto, Canada, was given as a branch office, but an inquiry brought us word from the Toronto Better Business Bureau that

they were "unable to locate any such company in Toronto."

My concern grew for the people who were entrusting their life's savings with these people.

I posed a list of pertinent questions to Family's president, John Gregory Persian, which went unanswered.

I then asked the Senate Committee on Banking and Currency, of which I am a member, to look into the matter and take appropriate steps.

The policing of savings institutions is a State responsibility, and therefore not in the province of the Federal Government. However, matters connected with the Federal Home Loan Bank System are the business of the Federal Government and, therefore, I introduced an amendment to the Federal Home Loan Bank Act to prevent advertising by members of the Federal Home Loan Bank System which would tend to mislead the investing public and, although this would not affect the Family people—for they had been barred from this system—hearings on my bill would give us a chance to warn the public about Family. I could do this much.

I asked for hearings, and they were scheduled to be held by the Housing Subcommittee of the Banking and Currency Committee on July 24 and 25, 1958. Mr. Persian, Mr. Roosevelt, and Mr. Cohen were asked to appear for questioning. Messrs. Roosevelt and Cohen appeared and Mr. Roosevelt explained that he would speak for Mr. Persian.

He testified that the company's—Family's—advertising was honest and that the insuring company, the American Savings & Loan Indemnity Co., was in sound financial condition.

When asked how it happened that Family was the only company under the "protective wing" of the American Savings & Loan Indemnity Co., Mr. ROOSEVELT said that Family was the only company good enough to qualify. Here are his words, from the record:

I should not disparage other companies and do not intend to, but it (Family Savings & Home Loan Association) is the only one that in our judgment we feel we want to recommend now.

May I insert, parenthetically, that this company, Family, which was so stoutly defended by its board chairman, has gone out of existence, its president, John Gregory Persian, has been indicted for grand theft, and its depositors are unable to get their money from the so-called insurer, despite all the protestations of soundness.

To show the interlacing of the companies and the fact that they were all run from the same desk, let us turn to page 91 of the committee hearings. My colleague, the distinguished Senator from Indiana, was questioning Mr. Sherman S. Cohen, attorney:

Senator CAPEHART. You are the general counsel for the American Savings & Loan Indemnity Co., of Panama?

Mr. COHEN. Yes, sir; I do serve as one of the attorneys for the American Savings & Loan Indemnity Co.

Senator CAPEHART. Are you likewise general counsel for the Family Savings & Home Loan Association?

Mr. COHEN. I am, sir.

Senator CAPEHART. Are you the general counsel for the American Council of Independent Savings & Loan Associations?

Mr. COHEN. I am one of the attorneys.

Now, what about Mr. ROOSEVELT's statement on May 8 that he had not received payment of any kind for his services?

Turn to page 29 of the printed hearings—Senator CAPEHART was questioning Mr. ROOSEVELT, as follows:

Senator CAPEHART. Mr. ROOSEVELT, it is not quite clear to me whether you are appearing here today as the chairman of the board of the Family Savings & Home Loan Association in Maryland or the American council.

Mr. ROOSEVELT. I am appearing here solely as the honorary president of the American Council of Independent Savings & Loan Associations. * * *

Senator CAPEHART. And who is it that is paying you?

Mr. ROOSEVELT. It is the Family Saving & Home Loan Association, which is chartered in Maryland.

Senator CAPEHART. How much are they paying you?

Mr. ROOSEVELT. Six thousand dollars a year.

Senator CAPEHART. Six thousand dollars a year?

Mr. ROOSEVELT. Yes, sir. I am chairman of the board.

Then turn to page 31:

Mr. ROOSEVELT. I am not being paid for appearing before this committee. I am being paid as chairman of the board of the Family Savings & Home Loan Association, which is not appearing before this committee.

Senator CAPEHART. Which is \$6,000?

Mr. ROOSEVELT. A year, but not for appearing before this committee.

Next, turn over to page 92. Mr. COHEN was being questioned. The transcript goes like this:

Senator CAPEHART. If you will yield just a moment, Mr. ROOSEVELT testified yesterday it was 5 to 6 weeks ago he was placed on the payroll and made chairman of the board.

Mr. COHEN. He received his first paycheck. Senator CAPEHART. He has already been paid?

Mr. COHEN. Yes.

Senator CAPEHART. How much has he been paid?

Mr. COHEN. Whatever the pro rata salary has been. He has received his pay from that point on as chairman of the board of the association.

So, according to testimony by Mr. ROOSEVELT and Mr. COHEN before the committee, Mr. ROOSEVELT was paid for his services, and he was paid by Family Savings & Home Loan Association. And yet, he stated on the television program last week that he had not been paid in any way.

Mr. President, I, for one, would like to know which of the statements are true and which are false. Was our committee being deceived? Or, was the grand jury being deceived?

In these remarks, I am sticking to the official record. If we go a little further and believe a news account appearing in the Washington Post of May 9, then still another account must be taken into consideration. According to the newspaper article, Mr. ROOSEVELT told a reporter that he received a total of \$3,000, half-a-year's salary, not from Fam-

ily, but from the council, one of the three outfits run by Messrs. Cohen and Persian. It would not make any difference as to which company his pay came from inasmuch as all three were run from the same desk and by the same men.

However, if his pay came from the council, then his testimony before our committee was false—for he said "It is the Family Savings & Home Loan Association," when asked, "who is it that is paying you?"—page 29 of the July 24, 1958, hearings.

I understand from the newspaper account that Mr. ROOSEVELT said last week that he was with Family only 60 days, for he found it was dishonest, but that he continued with the council for 6 months and was paid for 6 months. There are two things wrong here: First, had he suddenly found dishonesty, he surely would have exposed it at once—did he not owe that to the poor depositor who, he must have known, would lose their savings—and, second, after finding dishonesty, why would he continue with the same men 6 months?

While I have the floor, I wish to point out one other matter. Despite my original warning to the public—later emphasized by the committee hearings, in which my colleague, Senator CAPEHART, took an active part—some people continued to deposit their savings with Family—and millions went down the drain.

Senator CAPEHART and I were concerned for the safety of the deposits, and we questioned Mr. ROOSEVELT and Mr. COHEN closely about the insurance.

Going back to the record now: In answer to my question, we had been told that the insurance company had over \$4 million in assets. We were also given a superfluous and distracting little lecture on the virtues of small business. Here is the way the questions and answers went:

Senator BEALL. I do want to say, Mr. Chairman, I agree with Mr. ROOSEVELT very emphatically that we want small business to be protected, but only when they are not taking advantage of the investing public. You stated that you were appearing here for the American Council of Independent Savings & Loan Associations, and you favor sound insurance. Can you tell me the soundness of the insurance of the members? You said they did have \$4 million available?

Where is this \$4 million on deposit in Maryland?

Mr. ROOSEVELT. Mr. Cohen, do you want to answer that?

Mr. COHEN. Yes. It is the offices in Silver Spring, Md.

Senator BEALL. In the company's offices, the Family Savings & Home Loan Association offices?

Mr. COHEN. Yes.

Senator BEALL. Not in any bank or safety vault except your own?

Mr. COHEN. Yes, sir.

Senator CAPEHART. Are you saying the assets of this indemnity company that insures these accounts is in the offices of and under control of the Family Savings & Home Loan Association, whose accounts they are insuring? Is that what you just said?

Mr. COHEN. No, indeed; and I would not have the record contain that information. The records of ownership of these assets, however, are temporarily in the offices of the savings and loan association in Silver Spring.

Senator CAPEHART. In other words, the Family Savings & Home Loan Association in Maryland has the same domicile as the American Savings & Loan Indemnity Co.?

Mr. COHEN. No, indeed. The only offices of the American Savings & Loan Indemnity Co., Senator, are in Delaware.

Senator CAPEHART. He asked you the question where the \$4 million worth of securities were domiciled or housed, and you said they were housed at the place of business of the Family Savings & Home Loan Association.

Mr. COHEN. I would be as clear as you would have made me be, Senator.

Senator CAPEHART. Is that true?

Mr. COHEN. That is where they are housed. The evidence of ownership is housed temporarily.

Senator CAPEHART. Who has control of them at that particular location?

Mr. COHEN. Obviously the officers of the insurance carrier would have control of it.

Senator CAPEHART. Does the president of the Family Savings & Home Loan Association have a key to the safe deposit box they are in?

Mr. ROOSEVELT. That I will have to find out.

Mr. President, he must have had the key; I have heard, though I have not the exact figure, that Mr. Persian had around \$30,000 in cash on his person when he was apprehended by police officers while trying to run away.

I do not want to close these remarks without reiterating that I have utmost respect for the great majority of savings and loan associations. It is too bad that a few bad ones here and there have appeared, but by the rooting out of the bad ones, the good ones will greatly benefit in the long run. When I exposed "Family" and a couple of other bad ones—an action followed by litigation against several bad ones by the Post Office Department and the Department of Justice—I made it clear that the great majority of savings and loan associations throughout the Nation are complying with the law and are making a major contribution to the Nation's social and economic well-being.

VISIT TO THE SENATE BY INTER-PARLIAMENTARY GROUP FROM THE UNITED STATES OF MEXICO

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. METCALF in the chair). Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I am pleased to present to the Chair and to the Senate a very distinguished group of gentlemen who have been in this city since Saturday. They will continue in the city of Washington until tomorrow afternoon, when they will leave for New York, for a visit there until Wednesday; and from there they will travel to Los Angeles, where they will visit for approximately 3 or 4 days. I refer to the

congressional group from Mexico. [Applause, Senators rising.]

Mr. President, this distinguished group is composed of both members of the Mexican Senate and members of the Mexican Chamber of Deputies. They are here in connection with the Second Annual Interparliamentary Meeting between the United States of Mexico and the United States of America. The first meeting of that nature was held last year at Guadalajara, in Mexico. All who had the privilege of attending that conference returned singing the praises of their Mexican hosts and of the good accomplished in the very frank and informal discussions held there.

This year we have the honor of entertaining the Mexican delegation, and also their wives, who, unfortunately for us, are not in the Senate Chamber at this time; as a matter of fact, they are on a cruise to Mount Vernon, on the *Honey Fitz*.

Day before yesterday and today we have been engaged in serious discussions. As I previously stated, the discussions are very frank. They are held in closed sessions, not open to the press, for the reason that we wish to have the frankest possible expressions by the members of both delegations; and we have been having them. The discussions have been divided among three groups. The concluding session will be held tomorrow, at 10 o'clock, in the auditorium of the New Senate Office Building; and at that time a condensed report will be made of the discussions which have been engaged in by the three panels. The public and the press are invited to attend that meeting.

The meeting here has been a wonderful one and, I believe, profitable for all who have attended. I am very glad to have the opportunity to make this announcement, Mr. President.

I ask unanimous consent to have printed at this point in the RECORD a list of the visiting delegates from the United States of Mexico.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP, MEXICAN DELEGATION

(Second meeting held in Washington, D.C.)

SENADORES

Manuel Moreno Sánchez.
Manuel Hinojosa Ortiz.
Mauricio Magdaleno Cardona.
Emilio Martínez Manautou.
Antonio Mena Brito.
Guillermo Ramírez Valadez.
Patricia Ramírez García.
Ramón Ruiz Vasconcelos.
Juan Manuel Terán Mata.
Angel Santos Cervantes.
Magdalena Santos Guerra.
Gustavo Vildósola Almada.
Carlos Román Celis.

DIPUTADOS

José López Bermúdez.
Manuel Moreno Moreno.
Antonio Navarro Encinas.
Gustavo Arévalo Gardoqui.
Rodolfo Echeverría Álvarez.
Salvador González Lobo.
Genaro Vázquez Colmenares.
Rodrigo Moreno Zermeno.
Bertha Moreno Rodríguez.

J. Jesús González Cortazar.
Alfredo Ruiseco Arellaneda.
Filiberto Rubalcava Sánchez.
Jorge Rojo Lugo.
Norberto Aguirre.
Ambassador Justo Sierra.

Mr. CASE of South Dakota. Mr. President, it was my privilege to join the distinguished Senator from Alabama in representing the Senate of the United States at the ceremonies at Guadalajara, a year ago. I was named at that time because the Senator from Iowa [Mr. HICKENLOOPER] was unable to attend. Unfortunately, also, he is out of the city today; I understand that he will not return before approximately 3 o'clock this afternoon.

I would be remiss if I did not second the statement the Senator from Alabama has made in regard to the hospitality and the warm comradeship of ideals which developed in our discussions last year in Mexico City and Guadalajara. Not only were we privileged to lay wreaths at the memorials to some of the outstanding Mexican leaders, but we also found that our friends in the Republic of Mexico have paid tribute to some of the outstanding citizens of this country, such as Abraham Lincoln, by naming some of the streets there for them.

It was a meeting of great friendship; and I count it a privilege to have been there with the distinguished Senator from Alabama.

I am very glad to see here, today, so large a delegation from the United States of Mexico; and I join in expressing our great pleasure that they are here.

Mr. MANSFIELD. Mr. President, I wish to join my colleagues in extending a hearty and a cordial welcome to our colleagues from the Republic of Mexico. They are here under the leadership of two of the outstanding members of the Mexican Congress, Senator Manuel Moreno Sánchez, the chairman of the Senate group, and Deputy José López Bermúdez, the chairman of the group from the House of Deputies.

They represent a great nation and a great people—a people from whom we have much to learn, and a people with whom we hope we can learn a great deal of one another.

We think that Mexico in many respects is the bridge between Latin America and this country and also between this country and Latin America and we are delighted that the great Republic of Mexico has at its head a man of the caliber of President Adolfo López Mateos, who not only is one of the great leaders in this hemisphere, but, in my opinion, is one of the great leaders in the world.

We cannot begin to match their fine hospitality, their deep understanding and their excellent treatment of us and our wives at Guadalajara last year but we will do our best to show our appreciation.

We want them to know that we are very glad to greet them as friends. We hope this is only the beginning of many other meetings of this nature.

We hope, also, on the basis of these personal contacts between parliamen-

tarians of the two countries, that our mutual problems can be solved, and that our friendship will continue to grow down through the years.

The Senate of the United States welcomes you as friends, colleagues, and partners.

Mr. DIRKSEN. Mr. President, as we all know, we receive many distinguished visitors in the Senate, but I doubt whether we are ever so delighted as when we entertain our near neighbors. This delight is buttressed by the fact that they are very, very near neighbors.

If I had to confess any failing at all, I think it would be that I was not sufficiently fluent in Spanish to be able to address our distinguished visitors in that tongue.

Some years ago I served on a committee investigating air safety in Latin America, including Mexico. We were privileged to have a House Member on that committee who spoke perfect Castilian Spanish. Perhaps the name is familiar to our distinguished visitors. He came from southern Texas. He was a distinguished Member of the House, Representative Kleberg. In perfect Spanish, he addressed the legislative bodies in many Latin American countries, including Mexico. It made me feel that my education had been somehow neglected, because so many in those bodies could respond in our tongue. I hope some day we may be able to address you here in your language, even as, in our tongue, you addressed us there.

I am sure these interparliamentary meetings will be fruitful and constructive. I join the distinguished Senator from Alabama and the distinguished majority leader and my other colleagues in extending our hand of felicity and friendship.

Mr. SPARKMAN. I think the Senator from Illinois will be glad to know that his "right bower," the Senator from California [Mr. KUCHEL] has just finished speaking to this delegation in Spanish.

Mr. DIRKSEN. That is what bothers me. [Laughter.]

Mr. SPARKMAN. And the Senator from Alaska [Mr. GRUENING] yesterday, in one of the committee discussions, made his presentation in Spanish.

Mr. YARBOROUGH. Mr. President, I desire to join the distinguished majority leader and the distinguished minority leader and the acting chairman of the Foreign Relations Committee in their welcome to distinguished members of our sister Republic, and also to express a word of thanks since I believe I am the only Senator in the Chamber present now who had the privilege of being one of the American guests of the Mexican Congress, the Senate and Chamber of Deputies, when they tendered a reception to visiting parliamentarians of other nations in Mexico City about December 1, 1958, during the ceremony attendant upon the inauguration of President Adolfo López Mateos. The Mexican Congress gave us a wonderful reception. It was my privilege to be there. I want to thank them, on behalf of myself and Members of Congress who were there, and who are not fortunate enough to be present today.

As a Representative in Congress of a State with a common boundary line of 1,000 miles with our neighbor to the south, and a State which has closer cultural ties with that country than any other State in the Union, I want to express my personal thanks and the thanks of the people of my State for their hospitality.

It is a longstanding custom in Mexico that Mexico invites to each Presidential inauguration the Senators and Governors of the American States which border those States which, from their historical background, have the closest ties with Mexico.

In my own State we have 1,600,000 citizens with Spanish names, of Mexican descent, who are proud of their cultural ties. They have been appointed to important positions in the Government of our State, and have taken an active part in the economic and political life of the State. We have judges with Spanish names, of Mexican descent. HENRY GONZALEZ of San Antonio, Tex., is a Member of Congress. We have an Ambassador to Costa Rica, Ramond Telles, the first Spanish-speaking person of Latin descent to be mayor of El Paso, the fifth largest city of Texas. We had Dr. Hector Garcia, of Corpus Christi, as Special Ambassador to sign the West Indian Defense Treaties. Texas citizens with Spanish names have held honored places and important positions in our society. We think this makes the ties between our two countries even closer.

I hope that ever larger numbers of American tourists will go to Mexico, we hope they will go over the common border between Texas and Mexico, and that this will strengthen the ties between our country and our neighbor to the south which is rich in culture and tradition, and that our ties will grow stronger over the years.

Mr. SPARKMAN. I think the Senator from Texas will be pleased to know that the cochairman of our U.S. delegation is Representative RUTHERFORD, of Texas.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I would like the RECORD to show here the fact that my own State, the State which I represent in part, not only has the closest present relations with Mexico, but that we recognize the fact that we were first settled from Mexico, and that the de Luna expedition, which was organized in Mexico City, was the first which was settled in our territory at Pensacola, in 1559. The city did not then continue to stand. A hurricane and an epidemic of illness came. The city which did stand permanently, St. Augustine, founded in 1565, became the first one to be permanently occupied.

We have the kindest feelings and feelings of highest gratitude for our sister Republic of Mexico, and in truth we regard them as those who first settled our shores.

We are in the course of our quadricentennial celebration—four centuries of history—in three different places. The first place was the city of Pensacola, first settled from Mexico and by Mexicans.

We pay tribute to our elder neighbors from Mexico in coming here to visit with us at this time.

May I say that we were honored by having at that first celebration at Pensacola Senor de Anzorena, who was, and still is, a Minister in the Embassy here, and I was honored by participating in welcoming him to our State as one of the descendants of the Mexican effort. We appreciated his presence there.

The close ties between our country and their country predate the settlement in the continental United States now existing, including the settlement of St. Augustine, which is the oldest permanent settlement now in the United States.

Mr. KUCHEL. Mr. President, I am full of enthusiasm in joining the Senator from Alabama and our two leaders here, Senator Mansfield and Senator Dirksen, indeed, all of the Members in the Senate, in giving a hearty welcome to representatives of the great free Government of a great, proud, and free people, who, as our leader here on the Republican side has said, represent a close and beloved American neighbor.

I come from California. A great deal of our culture and our history that we know in California trace their origin to the land represented so ably and gallantly by the gentlemen from Mexico, our fellow parliamentarians, and honor us with their presence on this occasion. We have had an opportunity this week to discuss in frank and friendly fashion across the table problems that have vexed and plagued the Government of Mexico and the Government of the United States.

I believe we have made progress toward just solutions in those areas we have discussed.

It seems to me one of the great things we have accomplished, I say to my colleague, the chairman of our delegation on the Senate side, has been to undertake those annual meetings between representatives of the legislative branches of our two great countries, Mexico and the United States.

Quiero decir por todo, el Senado, Bienvenidos, Senores.

Mr. ALLOTT. Mr. President, as the Senator from the State of Colorado I could not listen to these tributes without saying something, because probably no other State has been more influenced by its heritage of Mexican culture than my own State.

I am sure all of you know that the oldest town in Colorado, San Luis, is now approaching 300 years of age. I am sure you know that 4 years before the Declaration of Independence was signed General de Anza, with 3,000 men, about 30 miles south of Pueblo, there defeated the great Indian Chief Cuerno Verde, which in effect established your people on the American Continent.

We have in my own State many of your people—descendants of your countrymen, and those who have recently come from your country. We could not feel other than very close to you.

I know it will be impossible for us to surpass the hospitality which you have shown to various Members of the Senate and of the House when they have visited

with you in Mexico. I only hope that you will take home with you from us a feeling of real welcome, a feeling that we believe the opportunity to discuss our mutual problems with each other can be only beneficial to us, and to the benefit of both countries.

Mr. GOLDWATER. Mr. President, now that some of the junior States have been heard from in their thanks to our sister Republic, I, being from a State with some antiquity in relation to our associations with Mexico, wish to join with the leaders and with the Senator from Alabama in expressing thanks to these gentlemen for being here today.

I might point out that 420 years ago the cross was carried to the United States, to what is now Arizona, from Mexico. Cattle came into this country, from Mexico into Arizona.

Much of the culture we enjoy in Arizona—most of our names, our basic language, over 25 percent of our people—stem from the country of Mexico.

We have known all of our lives of these delightful people. I have been raised among them. I am much indebted to them, for their kindness, their warmth, their generosity, and their understanding.

I believe that we in North America, in the United States, can well pattern ourselves after them. Frankly, I have never heard of a Mexican dying of a heart attack. They have the "mañana" spirit. I wish we had more of that in the United States. We get so excited in this country that we want something to happen last night. They are willing to work a little longer, to be a little more patient, and as a result they get more done. There is a country after which we could pattern ours.

I have always been impressed by the sincerity and devotion of Mexicans to liberty and freedom. We in this Republic of the United States profess such sincerity, but I assure you, Mr. President, we cannot hold a candle to the Mexican people when it comes to living up to the ideals of liberty and of freedom.

To our guests I say, as one who has spent his life among you, who has visited your country, who has visited with people from your country in his State, I wish to thank you for being here and in a few words to say, "Buena suerte. Hasta luego."

Mr. CURTIS. Mr. President, I do not wish to prolong this ceremony unduly, for I know these gentlemen are due at a meeting, but I would be untrue to my inner feelings if I did not rise to express my appreciation for the wonderful treatment the Mexican Congressmen gave to us a year ago last February in Guadalajara. It was one of the warmest and most friendly receptions I have ever experienced in my life, beginning when we landed at the airport and continuing throughout all meetings until they waved us goodbye as we boarded the plane a week later. It was a very interesting and helpful experience.

We shall always be indebted to our friends south of the border for a memory of one of the friendliest occasions one could experience.

RECESS

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senate may stand in recess subject to the call of the Chair, to permit Senators to greet our distinguished visitors.

The PRESIDING OFFICER. (Mr. METCALF in the chair). Is there objection to the request of the Senator from Alabama? The Chair hears none, and the Senate will now stand in recess subject to the call of the Chair.

At 2 o'clock and 26 minutes p.m., the Senate took a recess subject to the call of the Chair.

The Members of the visiting delegation were escorted to a position on the floor of the Senate at the rear of the Chamber, and were there greeted by Members of the Senate.

Following the informal reception, the distinguished visitors were escorted from the Chamber.

At 2 o'clock and 32 minutes p.m., the Senate reassembled, and was called to order by the Presiding Officer.

ACQUISITION OF PATENTED MINING CLAIM ON SOUTH RIM OF GRAND CANYON NATIONAL PARK

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 383) to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes, which were, on page 3, line 12, strike out "designated" and insert "designed"; on page 4, line 6, strike out "apex" and insert "extralateral", and on page 4, line 21, after "Claim" insert: "Provided further, That neither the enactment of this Act nor anything contained in it shall be construed to relieve any party from any liability which would or might otherwise exist for the removal of ore from beyond the boundaries of said Orphan Claim, if any such removal occurred prior to the enactment of this Act."

Mr. BIBLE. Mr. President, the amendments that were added by the House might be classified in the following categories: Two were technical amendments. The third was an amendment that made very clear that if there was any removal of ores from Government land, the enactment of the bill would not be construed to relieve the company or anyone else from liability therefor which might otherwise exist. I have checked the bill with the distinguished leadership on the other side of the aisle and members of the Committee on Interior and Insular Affairs. They are in complete agreement. Unless there are questions, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

The motion was agreed to.

AMENDMENT OF THE AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

Mr. COTTON. Mr. President, when the bill before us now is shorn of its technicalities and stripped of its trimming, what remains is a measure which would nail down, clearly and effectively, the authority of the President to impose quotas on textile imports.

Before discussing the bill in greater detail, let me sketch the background and outline the darkened landscape of this Nation's textile industry.

More than 4 years ago, the plight of the domestic textile industry became a matter of major concern to the Congress, as it already was in major areas of the Nation. Between the end of World War II and 1957, textile employment in the Nation declined 24 percent, a loss of more than 325,000 jobs. More than 700 textile mills had closed their doors and gone out of business for good. Deserted textile mills dotted the landscape from Maine to Georgia. In New Hampshire alone, textile employment had declined by almost 50 percent.

Four years ago, the problems began to give rise to some action. The Senate unanimously adopted a resolution which I presented authorizing a special inquiry into the problems of the domestic textile industry. The able Senator from Rhode Island [Mr. PASTORE] was named chairman of the special Textile Subcommittee of the Senate Commerce Committee, and it has been my pleasure to serve with him on that committee.

The special subcommittee held extensive hearings, in Washington and in textile centers throughout the country, into the problems of the industry, and we have followed up the initial hearings with further inquiries, the latest of which took place earlier this year. The subcommittee has issued three different reports on its finding.

One major thread runs through all our hearings, all our reports and all our recommendations. It is that controls, or quotas, on textile imports offer the only effective means of safeguarding the American textile industry from low-wage foreign imports, and the only realistic way to assure a continuation of its ability to supply the essential defense and civilian needs of the Nation.

Our subcommittee reiterated time and time again its recommendation that textile imports quotas be established. Frankly, however, our suggestions fell upon deaf ears until last year when an interim, 1-year international cotton textile agreement was negotiated at Geneva. That stopgap agreement is scheduled to be replaced this fall by a long-term, 5-year agreement on cotton textiles. Most of the world's major textile trading nations, those accounting for 90 percent of the world trade in cotton, are parties to the agreement. The cotton textile agreement may not go as far as some would have wished. It does not set direct quotas on imports, but it does specify that if the United States determines that imports are causing or threatening to cause a disruption in our textile markets, we may impose import restrictions.

The purpose of this bill, as I understand it, is to make crystal clear the authority of the President to impose such import quotas with respect to all textiles, cotton, wool, and manmade fibers, and

to make it clear that such restrictions may be applied against countries which have signed the cotton agreement and against those which are not parties to it. The bill would also make effective any future agreements involving agricultural products.

I urge the Senate to approve this measure, and, since it has already passed the House, send it to the President for signature.

In urging adoption of the bill, I am deeply aware of the fact that the only international agreement limiting imports which is currently in existence applies exclusively to cotton textiles. Neither woolsens, nor worsteds, nor manmade fibers are included, despite the fact that unreasonable foreign competition has been as keen, if not keener in these fabrics as it has been in cottons. And I can only repeat the latest recommendation of our Textile Subcommittee that limits on imports of all categories of every fiber must be set. I hope the enactment of this legislation will spur the executive agencies of the Governments to renewed efforts in behalf of a textile agreement on woolsens, worsted, and other threatened fabrics.

There are other aspects of this bill that merit some comment.

First. The bill, by confirming the existing law and broadening its provisions, strengthens the power of the President to negotiate with foreign countries in an effort to obtain agreements limiting the importation into the United States of any agricultural commodity or textile product. In this respect, the President is not bound by the chains of law. He is free to enter into any agreement he wishes, and under the bill can enforce it against all other nations. He is not bound by legally established guidelines, or legislative restraints. His power is unbridled.

I cannot forecast what interpretation may be given the provisions of this bill or the law it amends by the President's legal advisers, or, should the occasion arise, by the courts. However, it seems to me from reading this section of the law, that the President in securing a reduction of imports in one category could, in the same agreement, and as a consideration for the concession, relax import restrictions in other categories.

Let me say frankly that I find this aspect of the bill disquieting. However, I am confident that our Senate Textile Subcommittee, under the able leadership of the Senator from Rhode Island [Mr. PASTORE] will continue its diligent oversight of all the developments in this field, and will be alert for the significant developments.

Second. There may be some in the Senate who will remark at the divergent philosophy as between this bill and the overall Reciprocal Trade Extension Act still under consideration in the House. From a philosophical standpoint, it may be difficult to reconcile his bill, described in the House of Representatives as McKinley protectionism, with the grand design of freer trade. But to such doubters let me say frankly, I do not believe that farsighted trade measures can be adopted and pursued by this

country unless the vital interests of essential American industries are reasonably safeguarded against low-wage, foreign-made goods. This is especially true in cases like cotton textiles, where foreign producers can buy U.S. cotton, as a result of our farm policies, at a 25 percent lower price than the American textile producer. If we export textile industry jobs right along with our exports of raw cotton, neither the interests of trade nor the interests of this Nation will be advanced.

Mr. President, before I yield the floor I should like to emphasize two points which I believe it is exceedingly necessary to have emphasized in relation to a discussion on this measure. I am happy to see that my very dear friend the distinguished Senator from Nebraska [Mr. Hruska] is present. I have read with keen interest the remarks he made on the floor of the Senate yesterday, and I have read the amendment which he, together with the distinguished Senator from South Dakota [Mr. Mundt] and other Senators, is presenting to the bill.

I am sure that all of us appreciate the difficulties which beset those who produce beef and pork and mutton. I am sure all of us appreciate the difficulties that many segments of American industry are experiencing. I know very few vocations in this country that do not face difficulties. Incidentally, in my own section of the country, the inclusion of timber and timber products would be attractive.

However, I earnestly hope that the amendment of my good friends will not be adopted by the Senate, and I most respectfully urge that this is not the time or the place to secure such protection for other commodities.

I wish to reemphasize the fact that the textile industry in this country stands all alone, of the larger industries in the land, in its difficulties. It is literally a dying industry. It is confronted with an emergency of a character that no other American industry faces, or probably has faced in history, on such a grand scale. I should like to remind the Senate again, as I said a few moments ago, that since World War II and until 1957 textile employment in the Nation has declined 24 percent, that we have lost 325,000 jobs in that industry, and that more than 700 textile mills have closed their doors and gone out of business forever. In New Hampshire, we have lost more than 50 percent of our textile employment.

This emergency was recognized, and it resulted in a long and careful study, made by a subcommittee, of which I am proud to be a member, under the leadership of the distinguished Senator from Rhode Island [Mr. Pastore].

The problem has been made the subject of deep concern in the Senate. The President of the United States has indicated that he recognizes the crisis in the textile industry, and has indicated not only by his words but also by his actions that he is prepared to apply special remedies to a special emergency.

The bill, in my opinion, is absolutely essential in our struggle to save what we have left of the textile industry. The bill should go out of the Senate without

amendment. It should go out of the Senate without having attached to it any other subject. It should stand as it is written now.

Mr. PASTORE. Mr. President, will the Senator yield for an observation?

Mr. COTTON. I am very happy to yield to the Senator from Rhode Island.

Mr. PASTORE. I do not question the sincerity of the proponents of the Mundt amendment. However, as I read the amendment I find one failing in it which, if the amendment is adopted, will result in killing not only the remedy that they seek to obtain but also the remedy that we seek to obtain.

We have worked since 1958 to have that remedy provided. I am sure the Senator from New Hampshire will agree with me that the origin of the crusade in which we are engaged started some time in 1958 when the Senator from New Hampshire submitted his resolution calling for an investigation of the decline of the textile industry. It was as a result of that resolution that we discussed on the floor of the Senate the likelihood of a subcommittee being appointed, which I have had the honor to head after its appointment, and of which the Senator from New Hampshire is a member.

We held exhaustive hearings throughout the country, particularly in the States in which textile workers had lost their jobs, and which had textile mills that were in a very precarious condition.

As a matter of fact, our investigations show that over a period of 10 years, while this Nation was experiencing an astronomical development, economically, the textile industry remained stagnant for a period of 10 years, and that during that period the textile industry lost more than 800 mills and more than 325,000 workers lost their jobs in the textile mills, as the Senator from New Hampshire has pointed out.

In the amendment which will be proposed the sponsors do not say, "If and when we, too, in the cattle industry have achieved a multilateral agreement, that agreement should also be fortified by action of the President." If the amendment had such a provision in it, I would find no fault with it.

After all, we started in 1958. We did hold extensive hearings. We did prove to the country and to the White House that we were in a bad state of affairs. It is true that as a result of that, in May 1961, the President of the United States issued his seven-point declaration. In that declaration he stated, not that he would impose mandatory quotas, but that he would suggest a conference on the part of all the textile exporting countries that they reach a voluntary agreement. That is precisely what we did.

Now what do we find? We find that it is necessary to reach an agreement with the countries exporting meat products, in which the authors of the amendment are very much interested. I sympathize with the position of those Senators. I know they have a tremendous problem. However, I say to them, "In trying to help yourself, do not kill us both. You are not saying 'If and when we, too, have achieved a multilateral agreement, we will go to the President

of the United States for the same authority in meats that he has in textiles.' You are not saying that at all. You are saying in your amendment that before the President can implement the multilateral agreement which has already been negotiated and achieved we will force him to get into a multilateral agreement that concerns meats. You are going a little bit too far in this matter, because you have a long row to hoe before you get to the position where we are, for the simple reason that we have made this investigation. I do not question the fact that you have a problem with reference to meats, but I say, please, do not do it here. If you win, you will have destroyed both of us."

Mr. COTTON. I thank the distinguished Senator from Rhode Island for his contribution, which he presented with his usual ability and vigor. The question, I respectfully say to the Senate, is whether the textile industry in this country is in a unique position. Sometimes I am rather amused by the use of the word "unique," when people say ungrammatically that something is rather unique or a little unique. As I understand Webster's definition of the word, it means all alone, and that there can be no degree.

If the textile industry were not in the perilous situation which puts it in a unique position, I would not utter a word of criticism. In fact, I have no criticism. I would not oppose them so vigorously. I admire my friends from Nebraska and South Dakota and elsewhere who are here, as they always are, fighting for the good and the prosperity of those whom they represent. If the textile industry were not alone in its situation, it would be proper to reach out and load this bill up or attempt to load it up with this industry and that industry and some other industry. There are other industries in my own State that could be considered in this connection.

I am anxious about the shoe and leather industry. I am anxious about the electronics industry. I am anxious about the timber and timber products industry. The latter is included in the proposed amendment. But my point is that the textile industry—and I think it will be recognized by all fair-minded persons who give careful consideration to the subject—stands alone in this country in the desperation of its situation.

As the distinguished Senator from Rhode Island [Mr. Pastore] has so well pointed out already, an agreement has been entered into, for the effectiveness of which the passage of the bill is necessary. If we confine the proposal as contained in the bill to the textile industry and vote on that alone, I am sure the bill will pass and will be at least an added aid in saving this industry. But if we start to adopt amendments and load the bill with other interests not connected with the textile industry, interests which, while they have their just place and their just appeal, have not been the subject of prolonged, painstaking study by the Senate and its committees, and have not challenged the attention of the President of the United States—and obviously

he would hardly start at this time to make an exception of any industry unless he was completely convinced that it stood alone in its requirements—then the bill will be lost.

In the Committee on Ways and Means of the other body the President's trade expansion bill is on the agenda for consideration. In due time, I assume the bill may well reach the Senate for our consideration. The Members of this body will have to take many considerations into account in dealing with that bill. However, I appeal to the Senate not to start to prejudice anyone's case at this time, and not to make the bill a reason for shooting from the hip, at random, concerning a subject which is perhaps the most complicated that has been presented to Congress, and is fraught with the most serious consequences in history, at least during my period of service in either the House or Senate. Let us take care of those items when they have been properly considered, but let us confine the bill to its purpose, which is to try to save the textile industry.

Mr. KEATING. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield.

Mr. KEATING. Before the distinguished Senator from New Hampshire yields the floor, I wish to express my commendation to him for his pioneering work in this field.

As the Senator from Rhode Island [Mr. PASTORE] has stated, this problem was brought most forcefully to my attention and, I presume, to the attention of other Senators by the resolution which the Senator from New Hampshire authored in 1958. Both he and the distinguished Senator from Rhode Island have rendered magnificent service in this field.

I have attended several meetings dealing with this problem, which were presided over by the distinguished Senator from Rhode Island. I share the view of the Senator from New Hampshire that it would be unfortunate if the bill were to be complicated by having it include many other items.

The textile and garment industries are of tremendous importance in the State of New York. I agree that there are many other industries which are seriously affected by trade. There are many others where an international agreement no doubt would be welcome. However, it is probably true, as the Senator from Rhode Island has said so well, that if they were all included in this bill, the death knell would be sounded for all the industries in which we are interested, for this bill then would be unduly complicated and would surely get defeated or lost in the legislative mill.

New York City is the world's leading center for the manufacture of clothing. In New York State there are many other centers of garment making, including my home city of Rochester and the cities of Amsterdam, Utica, Gloversville, Troy, Auburn, and Kingston.

The apparel industry in New York City employs a quarter of a million people. This is more than the entire population of Alaska, and just a little less than the total population of Nevada. It

is one-third of the population of the city of Washington, D.C. All these people are employed in one industry in the city of New York. Therefore, the bill is of great importance to my State.

I sincerely trust that it will be enacted promptly, and will not become complicated by the amendments which, I feel certain, are sincerely advocated by distinguished Members of this body who have real problems in this area. Mr. President, this is not protection. For many years, our country has been most generous in accepting textiles and garments from other countries of the world. Our markets have been open. The result has been that certain sectors of the American textile industry have been significantly affected. Workers have lost their jobs and machinery and equipment has been idled. The aggravating thing about all of this is that, while we have taken steps to accelerate trade and to encourage it, other countries have not followed suit. Whereas we have accepted these imports, others have not. The purpose of the multilateral textile agreement which has been negotiated is to spread out the burden—to see to it that every country accepts its fair share of world exports of textiles and garments.

As one who is a believer in expanded trade and a supporter, in principle, of the trade program which has been proposed to us, I have always believed that progress toward expanded trade must be orderly progress. I stress the word "orderly." We must not expand trade in a helter-skelter fashion, which could result in a serious economic disaster for certain American communities and industries.

Every other country of the world accepts this principle. Orderly trade expansion is one of the greatest hopes of the free world. It will help us greatly in the battle against the Soviet bloc which does not have nearly the economic power and financial resources of the West.

Free trade is not exclusively an American undertaking. Free trade takes co-operation.

The textile agreement which has been negotiated does satisfy two important requirements. It will permit the orderly expansion of trade and avoid the kind of disruption which weakens everyone. Second, it requires that other countries of the West cooperate with us in spreading the burden of the burgeoning world production in textiles, garments, and related products.

Mr. President, one final word; an ambitious and far-reaching international agreement on textiles has been negotiated. It establishes a new concept. It says that the nations of the free world must join together in seeing that each accepts an equal burden in the interest of expanding trade. I am anxious to see this legislation pass so that there will be no legislative hurdles to the effective implementation of this ambitious agreement. I would point out however that it is of the utmost importance that our Government acts to see to it that other nations of the world live up to the provisions here established.

We must insist in this agreement and in other matters affecting trade that our partners of the West also work to achieve expanded trade. We must press for the sharing of the burden on commodities like textiles. We must press for the removal of nontariff barriers, particularly on American agricultural commodities. We must press to see to it that reciprocal trade is truly reciprocal.

A trade program is only as good as the people who administer it. The new trade bill before the Senate, this international agreement on textiles and our existing tariffs on trade, require firm backing and forceful application. This is not to say that we are being narrowminded. Many nations of the free world are strong and it is imperative that we work together.

I hope the position taken by the Senator from New Hampshire will be sustained and that the bill will not become further complicated.

Mr. MUSKIE. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield.

Mr. MUSKIE. The distinguished Senator from New Hampshire whom I desire to commend for his excellent statement today, has suggested to the Senator from Nebraska [Mr. HRUSKA] and the cosponsors of the amendment that they should seek elsewhere, relief similar to that which is provided in the bill.

I should like to ask the Senator from New Hampshire whether, under section 204, which is in issue, the livestock industry, which would benefit under the amendment sponsored by the Senator from Nebraska, would be eligible for similar relief. I call the Senator's attention to the following language of section 204:

The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products * * *.

Does the language "any agricultural commodity or product manufactured therefrom" include livestock products?

Mr. COTTON. The Senator was quoting from the law, not from the bill, was he not?

Mr. MUSKIE. The Senator is correct.

Mr. COTTON. I should say that that language clearly includes all of the commodities mentioned in the proposed amendment which qualify as agricultural products, and such products surely include livestock of every kind and variety.

Mr. MUSKIE. So the objective sought by the authors of the amendment is permitted under existing law, provided that they can persuade the President to undertake negotiations, and provided, further, that the effected countries agree to negotiate.

Mr. COTTON. That is perfectly true. The authors of the amendment are in exactly the same situation as that in which the Senator from New Hampshire finds himself, and in which I feel certain

the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], and Senators from other textile States find themselves.

I take this opportunity to express the earnest hope that the President and his advisers will see fit to exercise their authority in regard to wool, worsted, and manmade fibers, as well as to cotton.

And in the same way the President may be importuned to include the agricultural products for which the distinguished Senator from Nebraska and the distinguished Senator from South Dakota are striving. Of course, the only agreement which actually has been made has to do with cotton textiles; but this act includes all of these.

Mr. MUSKIE. Mr. President, will the Senator from New Hampshire yield for another question?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from New Hampshire yield to the Senator from Maine?

Mr. COTTON. I yield.

Mr. MUSKIE. The pending bill, as I see it, does not in any way restrict the eligibility of the livestock industry to apply for similar relief.

Mr. COTTON. I am sure it does not.

Mr. MUSKIE. Like the Senator from New Hampshire, I am interested in other industries in my own State and in northern New England which might be eligible for similar relief. To indicate the breadth of the eligibility which is available under existing law, I ask unanimous consent to have printed in the Record at the conclusion of the remarks of the Senator from New Hampshire a letter on this subject from the General Counsel of the Department of Agriculture, John C. Bagwell, to the distinguished Senator from Louisiana [Mr. ELLENDER]. The letter has to do with the question of whether forestry products would be included; but in the discussion of that question, the authorities he cites indicate the breadth of the eligibility covered by the language "agricultural products or products manufactured therefrom."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine? Without objection, it is so ordered.

(See exhibit 1.)

Mr. COTTON. Mr. President, I have been requested by my colleague, the junior Senator from New Hampshire [Mr. MURPHY], who is necessarily absent, to inform the Senate that he joins in the expressions made in my remarks here this afternoon, and he hopes the bill will be passed without being complicated by amendments.

EXHIBIT 1

U.S. DEPARTMENT OF AGRICULTURE,
OFFICE OF THE GENERAL COUNSEL,
Washington, D.C., April 4, 1962.

HON. ALLEN J. ELLENDER,
Chairman, Senate Committee on Agriculture
and Forestry.

DEAR SENATOR ELLENDER: Mr. Stanton, counsel for your committee, has informed us that in considering S. 3006, to amend section 204 of the Agricultural Act of 1956 (7 U.S.C. 1854), the question has been raised as to whether the phrase "any agricultural commodity or product manufactured therefrom" includes timber and its products.

Section 204 is as follows:

"The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933) as amended (7 U.S.C. 1854)."

Although we have not had time to examine the legislative history of this provision exhaustively, our study thus far indicates that such history does not give clear evidence of the intention of the Congress in this respect. In examining this question, therefore, we believe we must first determine the meaning of this phrase as the words therein have been generally construed.

Webster's New International Dictionary, 2d edition, defines agriculture as "The art or science of cultivating the ground, and raising and harvesting crops, often including also feeding, breeding and management of livestock; tillage; husbandry; farming; in a broader sense, the science and art of the production of plants and animals useful to man, including to a variable extent the preparation of these products for man's use and their disposal by marketing or otherwise. In the broad use it includes farming, horticulture, forestry, dairying, sugarmaking, etc."

Court decisions have adopted the foregoing definition of "agriculture" in defining agricultural commodities and products. *United States v. Turner Turpentine Co.* (111 F. 2d 400 (5th Cir. 1940)) involved the issue of whether labor performed in the production of gum from oleoresin by scarification of living pine trees and its processing into gum spirits of turpentine and gum resin was "agricultural labor" as used in the Social Security Act. The Social Security Act of 1935, as it read before the 1939 amendments, was the law before the court in this case and the term "agricultural labor" was not defined. In holding that Congress intended the term to have a comprehensive meaning so as to include tree products, the court said at page 404:

"When then, Congress in passing an act like the Social Security Act uses, in laying down a broad general policy of exclusion, a term of as general import as 'agricultural labor,' it must be considered that it used the term in a sense and intended it to have a meaning wide enough and broad enough to cover and embrace agricultural labor of any and every kind, as that term is understood in the various sections of the United States where the act operates. This does not mean, of course, that a mere local custom, which is in the face of the meaning of a general term used in an act, may be read into the act to vary its terms. It does mean, however, that when a word or term intended to have general application in an activity as broad as agriculture, has a wide meaning, it must be interpreted broadly enough to embrace in it all the kinds and forms of agriculture practiced where it operates, that its generality reasonably extends to. Definitions of 'agriculture' in standard texts and treatises and in decisions in these latter years have had the widest content. Funk & Wagnalls defines 'agriculture' as including horticulture, fruit raising, etc., 'because agriculture is the science that treats of the cultivation of the soil.' Webster's Unabridged Dictionary, 1935, declares that in a broader sense agriculture includes farming, horticulture, forestry, dairying, sugarmaking, etc. The Encyclopedia Britannica,

14th edition, 'Forestry as a Science,' declares: 'the science underlying the growing of timber crops is therefore nothing but a branch of general plant science,' while the *Cyclopedia of American Agriculture* says of forests, 'If agriculture is the raising of products from the land, then forestry is a part of agriculture' (vol. 2, p. 312). From the *Encyclopedia Britannica* article, on rosin production, we quote the following significant passage: 'The chief region of rosin production is the South Atlantic and Eastern Gulf States of the United States. American rosin is obtained from the turpentine of the swamp pine and of the loblolly pine. The main source of supply in Europe is the lands of the departments of Gironde and Landes in France, where the cluster pine is extensively cultivated.' An examination of the cases cited in 'Words and Phrases,' fifth series, volume 1, page 339 et seq., under agriculture and in 3 C.J.S., 'Agriculture,' pages 361, 365, and 366, section 1, under 'agricultural' and 'agriculture,' convinces that in modern usage this is a wide and comprehensive term and that statutes using it without qualification must be given an equally comprehensive meaning."

The *Turner Turpentine Co.* case was followed in *Stuart v. Kleck* (129 F. 2d 400 (9th Cir. 1942)), which also involved the definition of "agricultural labor" as used in the Social Security Act. In the following cases the courts adopted definitions of "products of the land," "agriculture," "agricultural purposes," "agricultural commodities," "agricultural products," or "agricultural labor," some as used in statutes, in the broad sense of things which are the result of husbandry and the cultivation of the soil (*Sancho v. Bowie*, 93 F. 2d 323 (1st Cir. 1937); *Lowe v. North Dakota Workman's Compensation Bureau*, 220 Wis. 701, 264 N.W. 837 (1936); *Forsythe v. Village of Cookville*, 356 Ill. 289, 190 N.E. 421 (1934); *In Re Rogers*, 134 Neb. 832, 279 N.W. 800 (1938); *Getty v. C. R. Barnes Milling Co.*, 40 Kan. 281, 19 Pac. 617 (1888); *Florida Industrial Commission v. Growers Equipment Co.*, 152 Fla. 595, 12 So. 2d 889 (1943)).

Congress has recognized that the term "agricultural commodities" may include forest products. Section 207 of the Agricultural Marketing Act of 1946 (60 Stat. 1091; 7 U.S.C. 1626) defines "agricultural products" to include "agricultural, horticultural, viticultural, and dairy products, livestock and poultry, bees, forest products, fish and shellfish, and any products thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed and manufactured products thereof."

Section 518 of the Federal Crop Insurance Act (55 Stat. 256; as amended, 7 U.S.C. 1518) defines "agricultural commodity" as "wheat, cotton, flax, corn, dry beans, oats, barley, rye, tobacco, rice, peanuts, soybeans, sugarbeets, sugarcane, timber and forests, potatoes and other vegetables, citrus and other fruits, tame hay."

Section 2 of the act of May 9, 1956 (70 Stat. 133; 12 U.S.C. 1841(g)), concerning bank holding companies, defines "agriculture" to include "farming in all its branches including fruitgrowing, dairying, the raising of livestock, bees, fur-bearing animals, or poultry, forestry or lumbering operations, and the production of naval stores, and operations directly related thereto."

Section 1 of the act of March 4, 1927 (44 Stat. 1423; as amended, 15 U.S.C. 431), concerning discrimination against farmers' cooperative associations by boards of trade, states that "agricultural products" "means agricultural, horticultural, viticultural, and dairy products, food products of livestock, the products of poultry and bee raising, the edible products of forestry, and any and all products raised or produced on farms and processed or manufactured products thereof,

transported or intended to be transported in interstate and/or foreign commerce."

Section 3 of the Fair Labor Standards Act of 1938 (52 Stat. 1060; as amended, 29 U.S.C. 203(f)), defines "agriculture" to include "farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 1141j(g) of title 12), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market."

The present social security tax law, now known as the Federal Unemployment Tax Act, has an extensive definition of "agricultural labor," which includes expressly only some forest products such as naval stores (68A Stat. 447; 26 U.S.C. 3306(k)).

As may be seen, some of the definitions, for the immediate purposes involved in the legislation, include forestry products only in part. However, we believe even in these instances, this serves as an indication that where the terms "agricultural commodities" or "products thereof" are used without qualification it is reasonable to include timber in the concept.

We believe that in the historical development of public attention to the timber resources of this Nation the concept has long been that the growing of trees and the work of forestation and reforestation is a part of agriculture. It also appears to be a necessary corollary that timber is an agricultural commodity and that lumber is a product of such commodity. We have found a number of instances both past and present where this concept is expressed. We will quote a few of these.

In an annual report of the Secretary of the Interior (Ethan Allen Hitchcock) in 1901 the following is stated:¹

"The keynote of the administration of the forest reserves should be to increase the value of the reserves to the public and to perpetuate their forests by wise use * * * Forestry, dealing as it does with a source of wealth produced by the soil, is properly an agricultural subject."

Gifford Pinchot, Chief of the Bureau of Forestry in the Department of Agriculture in 1902, in a statement before the Agricultural Committee of the House, declared:

"Forestry is a component part of agriculture. Every source of wealth grown from the soil is in the sphere of the Department of Agriculture; hence the forest work rightly belongs to it. The production of timber is as naturally within the scope of the Department of Agriculture as is the production of field crops."

Secretary of Agriculture D. F. Houston, in a letter to the chairman of the Public Lands Committee of the Senate, June 24, 1918, stated:

"This Department is charged with the task of stimulating and improving the production of all forms of wealth grown from the soil. A forest is a crop and forestry is primarily a problem of production from the soil."

Secretary of Agriculture E. T. Meredith, in an annual report to the President dated November 15, 1921, stated:

"The Bureau of Crop Estimates secures information on the needs of stockmen and

farmers for public and national forest ranges which aids the national forest administration, and collects also data on the products of farm woodlots which is of value in the development of farm forestry. In short, having largely exhausted the forest crop grown in advance, the problem now is to use more widely what remains and to grow other crops to meet our needs. That is to say, forestry is a distinctly agricultural business. The function of the Department as a whole includes efforts for the production of the most effective manufacture, distribution, and utilization of the products of both farm and forest for the benefit of the country at large."

President Franklin D. Roosevelt in a letter to the Joint Committee on Forestry of the Congress declared:²

"Forests are intimately tied into our whole social and economic life. They grow on more than one-third the land area of the continental United States. Wages from forest industries support 5 to 6 million people each year. Forests give us building materials and thousands of other things in everyday use. Forest lands furnish food and shelter for much of our remaining game, and healthful recreation for millions of our people. Forests help prevent erosion and floods. They conserve water and regulate its use for navigation, for power, for domestic use, and for irrigation. Woodlands occupy more acreage than any other crop on American farms, and help support 2½ million families."

"Our forest problem is essentially one of land use. It is a part of the broad problem of modern agriculture that is common to every part of the country. Forest lands total some 615 million acres."

In testifying in 1951 on S. 1149, a bill to reorganize the Department of Agriculture, Lyle F. Watts, Chief of the Forest Service, stated:³

"Forestry and grazing are agricultural functions. Trees and grass are crops. Like corn, wheat, and cotton they start from seed. They respond to the same kind of care given other crops. They are harvested—or at least they should be harvested—so that one crop follows another. Their culture is based on the biological sciences, which are chiefly and in many cases exclusively the concern of the Department of Agriculture. Insect and plant-disease control, genetics, soil science, and other agricultural sciences are as important to growing crops of trees and grass as they are to field crops."

"Forestry and grazing are inseparable parts of agriculture. It takes the same know-how to grow timber in the farmer's woods as it does in forests owned by anyone else. Farm woodlands are indispensable to the Nation's timber supply. Farmers own one-third of all our commercial forest land—139 million acres."

"Turning it around, woodlands are indispensable to the farmer. Forest lands make up half the total farm acreage in New England and about 40 percent of all farm acreage in the South. Forest products provide farmers in many regions with a valuable source of cash income. When forest land is properly managed, the timber harvest can be as regular and dependable as any other crop."

"Farm forestry is an integral part of the Department's farm program. Farmers look to the Department of Agriculture for help on farm forestry just as they do in animal husbandry, fruitgrowing, or other crop problems. The small nonfarm forest properties

of 125 million acres, almost as extensive as the farm forests and often intermingled with them, face exactly the same problems and should be served by the same agency."

"Nor can any sharp line be drawn between forestry and grazing. In much of the South and West the same land is used to grow both trees and grass. Thus all such lands are interrelated parts of the Nation's agricultural enterprise."

"And from the watershed angle, forest and grazing lands are inseparably linked with field-crop lands. In every watershed, we must have a unified approach covering all lands to effectively control erosion, floods, and water supply. Soil conservation and watershed management are agriculture, and the Department of Agriculture, under the Flood Control Act of 1936, is responsible for watershed surveys on all lands. Within the Department, the Forest Service and the Soil Conservation Service work together closely to reduce damage from floods and sedimentation on forest, grazing, and other croplands."

"Adding it all up, any way you look at it, the answer is the same: Forestry and grazing are agriculture."

It is, therefore, our opinion that forestry is a part of agriculture and that timber is an agricultural commodity. It follows, therefore, that the products thereof, such as lumber, are products within the definition in section 204. We have attempted to analyze the problem from the standpoint of general precedent and authority. If the foregoing analysis is not consistent with the present intent and purposes of the Congress, you may wish to reexamine the question for greater clarification.

Sincerely yours,

JOHN C. BAGWELL,
General Counsel.

Mr. HRUSKA. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield to the Senator from Nebraska.

Mr. HRUSKA. First of all, Mr. President, I should like to commend the Senator from New Hampshire for his splendid and eloquent statement concerning the textile industry. I would be the last to discount the importance which he assigns to the textile business. It is, of course, very important to his region of the country insofar as its immediate aspects are concerned, and is important to all of the country in its ultimate aspects. As the Senator from New Hampshire knows, the remarks I have made and the attitude I have assumed are not intended to detract for a second from that fact.

Before I comment further on this matter, and in line with the comments and questions by the Senator from Maine [Mr. MUSKIE], I should like to say that if there is any question in the mind of anyone that livestock, poultry products, timber, and timber products are embraced in the Mundt amendment, which shortly will be submitted and requested by the Senator from South Dakota [Mr. MUNDT], they should read the letter written by Mr. John C. Bagwell, General Counsel of the Department of Agriculture, to the chairman of the Committee on Agriculture and Forestry. This letter points out that Congress on several previous occasions has defined agricultural activity and agricultural products as including these items.

Now we have the question, Are we eligible under section 204 to petition the

¹ Some of the following quotations have been derived from a collected document which is authentic. Time has not permitted review of the original sources.

² Mar. 14, 1938, Report of the Joint Committee on Forestry, Senate Doc. No. 32, 77th Cong., 1st sess.

³ Hearings before the Committee on Expenditures in the Executive Departments, U.S. Senate, 82d Cong., 1st sess., p. 442.

President for treatment similar to that which he has accorded the textile industry? Yes, we are eligible. All we need is a golden key of some kind, although we do not know just what kind it is.

My principal remarks on the floor yesterday dealt with beef cattle and beef products. Twice that industry petitioned the Tariff Commission and twice it was rebuffed. Why? Because the regular machinery provided for by the tariff laws was so stringent, so hide-bound, and so difficult and complicated, that it was impossible to prove that that industry could qualify.

The President himself has invited the type of amendment which is about to be offered by the Senator from South Dakota [Mr. MUNDT]. The President says it is almost an anathema to try to ask for piecemeal treatment of tariff legislation and that it cannot be done item by item. He has said that the way to do it is by class. So we have here an amendment dealing with an agricultural class—agricultural products.

All we ask is that agricultural products also be considered by this well-informed President who is so understanding as to economic recessions and wants to get America moving forward again, and who is so full of compassion for all the problems of all the citizens of the United States. All we ask is that this measure include these beleaguered parts of agriculture, which are covered by section 204, and that they be treated with the same beneficence with which he has treated the cotton-textile industry. That is the purpose of the amendment, and I believe it is a very worthwhile purpose. We would greatly regret it if any deleterious effect were to be visited upon the cotton-textile industry. But, at the same time, what better time is there than now—now that the door is slightly ajar—to request such action by the President under section 204. This would not be piecemeal treatment. It would be overall treatment so as to give the beef industry the benefits which he has conferred so generously upon the cotton-textile industry, on whose behalf the Senator from New Hampshire has spoken so eloquently.

Mr. COTTON. Mr. President, let me say first to my friend, the Senator from Nebraska, that other Members of this body can no doubt more ably and perhaps with even greater enthusiasm represent the President of the United States and can justify whatever may be the action of this administration—and certainly with more knowledge of the subject. But I wish to say to my distinguished friend, now that he has seen fit to ask me this question, that in the case of the textile industry, apparently we are provided with some kind of key; and I believe that key was the fact that the textile industry was in such desperate circumstances. Apparently that key—and, by the way, when I say “we,” I wish to state that I had nothing to do with it; perhaps the Senator from Rhode Island [Mr. PASTORE] had more to do with it—did make it possible to reach the President of the United States, although he has not yet been reached quite far

enough, because I regret that woolsens and manmade fabrics are not yet included. But the President was reached and was impressed; and he suggested a conference, and it was held; and a temporary agreement was entered into, and now a 5-year agreement has been negotiated.

Now I wish to ask the Senator from Nebraska a question: If he, together with his friends on the other side of the aisle, had been able to find the golden key, and if he had gotten into the White House, and if he had gotten the President of the United States to take action regarding beef and pork and lambs, and if he had in being an agreement, and if he wanted to bring up proposed legislation to solidify the agreement, and if he did so; and if we then jumped up and said, “Wait a minute. You have gotten to the President, but we have not. You have beef covered; and we want to have included also cotton and electronics and boots and shoes from New Hampshire. You have the door ajar, and let us in, too”—would not the distinguished Senator from Nebraska have said then, “Wait a minute, my friend. We have this matter adjusted. We have accomplished this much. Please let us finish this, and please do not encourage all the other Members of the Senate to hang all the cats and dogs they have on top of this much.” Would not the Senator take that position under those circumstances?

Mr. HRUSKA. Mr. President, on that score, I did not know that “cats and dogs” are included among agricultural products under section 204. Perhaps they are; perhaps Mr. Bagwell’s letter also includes “cats and dogs.”

But I do know that section 204 does not include saddles and watches and clocks and hardware implements. It does include agricultural products. I cannot conceive that this would happen because there is not enough gold in our region to fashion a golden key such as that which is in the possession of the advocates of this bill. But, I have an idea that if there were, we would say, “Yes, there is a good deal of merit in the position of those who are asking to be included” and I imagine that our Western generosity and hospitality might extend just a little bit to a situation of that sort.

But I have this proposition to make to the Senator from New Hampshire: Why does he not see to it that we get a chance to extend that generosity and hospitality? If he does, I am sure he will be surprised.

Mr. COTTON. First, Mr. President, let me say that in referring to “cats and dogs,” I had no reference whatever to the very worthy commodities included in the Senator’s amendment. I merely meant that once the door is opened and once a start is made in adding agricultural commodities to the ones now covered by the bill, an invitation is extended to also add to the commodities covered by the bill many which may not be strictly agricultural products.

In replying to the Senator’s other question, I say to him—and this is all that I can say; and I say it perhaps a little facetiously, but nevertheless sin-

cerely—that if he will only permit us to get this little morsel, which we have obtained for the most needy and desperate industry in the country, nailed down by this bill, I promise him that I will exercise all of the well known and vast influence I have with the President of the United States to do everything within my power to get the President interested in beef and pork—I mean pork on four legs. [Laughter.] And sheep and timber and all the other fine products that mean so much to the people so very well represented by the Senator from Nebraska.

Mr. HRUSKA. Mr. President, will the Senator yield for one brief observation?

Mr. COTTON. I yield.

Mr. HRUSKA. When a morsel is spoken of in this connection, let me point out that we start with an 8½-cent-per-pound subsidy, and we talk about international cartels arising. We have statements that the President has said, “Do away with international monopolies; get free trade.” Then we have the special depreciation proposal. There is a request held up in the Tariff Commission, and there is held in abeyance a request for an 8½-cent depreciation measure. It seems to me this is more than a morsel—it is more than the traditional half loaf.

Mr. COTTON. I thank the Senator. I hope the people in the textile States will realize what we have done.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. TALMADGE. Mr. President, some 5 years ago, when I was a member of the Committee on Rules and Administration, it was my pleasure to move the approval of a resolution to create a special subcommittee of the Interstate and Foreign Commerce Committee to investigate the problems of the textile industry of this country. The distinguished senior Senator from Rhode Island was chairman of that subcommittee and the distinguished junior Senator from South Carolina and the distinguished Senator from New Hampshire were members.

The subcommittee held hearings in many areas of the United States, and took the statements of those who operated textile mills, those who worked in textile mills, and others who were familiar with every facet of the textile industry. The committee submitted a report with sound recommendations. No committee has ever done a more thorough and outstanding job of inquiring into the problems of any industry and I commend and compliment its members for their efforts.

After years of hard work by those seeking relief for the textile industry, many agencies of our National Government became interested in these problems. The Secretary of Commerce, the Department of State, and finally the President of the United States, as a culmination of the labors of this distinguished group of Senators, worked out an International Textile Agreement among 19 nations producing 90 percent of the world’s textiles.

In order to implement this agreement, it is necessary that the Congress pass H.R. 10788. The reason it is necessary

is that any country not a party to the international agreement can violate that agreement with impunity, and nothing can be done about it. Among the nations which could violate the agreement are Communist China, Russia, any of the so-called satellite countries, Egypt, Brazil, and the other nations which did not sign the agreement.

The only question for the Senate to resolve now is whether we are going to make an international agreement with 19 nations—Australia, Austria, Canada, Denmark, India, Japan, Norway, Pakistan, Portugal, Spain, Sweden, the United Kingdom, the United States, and member states of the European Economic Community, including Belgium, France, Germany, Italy, Luxembourg, and the Netherlands—that allows a country not a party to it to nullify the fruits of the efforts of our committee, of our Congress and of our national administration.

I have a great admiration for the distinguished Senators from Nebraska, South Dakota, and Colorado, who have seen fit to offer this amendment. I know there are problems involving commodities they seek to help. My own State of Georgia is the largest poultry producing State in the entire United States. We have problems there with our beef and pork industries. But it seems to me to be foolhardy indeed to take the problems of some commodities that have not as yet gone through all the long and strenuous effort that has been involved in getting relief for the textile industry and say to those who are engaged in the manufacture and sale of textiles that, "We are not going to help see your problems solved or remedied in any way unless now we can use this bill as a catchall proposition to solve, at one fell swoop, the problems of the meat industry of this country."

I read the language of one of the amendments that has been offered:

That no agreement in regard to cotton and cotton textiles shall be enforced pursuant to the provisions of this section until such time as the President has negotiated agreements with representatives of foreign nations limiting in like manner the export to the United States from foreign countries of the following commodities—

Then it goes on to name them.

In other words, Mr. President, it is the idea of those sponsoring this amendment that, regardless of what has been done by the Senate Investigating Subcommittee, regardless of what has been accomplished by the Department of Commerce, regardless of what has been accomplished by the State Department, regardless of what has been accomplished by 19 nations, it is to be said, "We are going to stop you cold in your tracks and not let you have a single ounce of remedy or relief unless you also solve all our problems at the same time."

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TALMADGE. I am delighted to yield to the distinguished Senator from Florida.

Mr. HOLLAND. I have before me a copy of the amendment the distinguished Senator read into the RECORD. I note

what seems to me to be a peculiar discrimination against cotton and cotton textiles. I ask the distinguished Senator if he notices the same thing; namely, that no agreement as to cotton and cotton textiles should be enforced until after the time when the President has negotiated similar agreements affecting all the other products—that is, beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, timber and timber products, and dairy products—whereas, as to each of those latter products, an agreement might go into force at once if it were negotiated.

Mr. TALMADGE. The Senator is entirely correct and I would point out to him that no senatorial committee has investigated the problems in connection with beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, timber and timber products, and dairy products. No international agreements have been obtained with respect to them. Nothing has been done, yet the simple bill now before the Senate to remedy some of the problems in the textile industry, is sought to be used as the basis for the statement, "No; we will not agree to solve any of the problems of the textile industry unless you solve all our problems at the same time."

Mr. President, I am always happy to see any of the problems of the country or the world solved. But I certainly would not say that we must solve each and every problem simultaneously.

I am in sympathy with the desire to solve the problems which concern distinguished Senators, from the Midwest. As a member of the Senate Committee on Agriculture and Forestry, I pledge my aid and support in seeking solutions to any of the problems which can be solved, when a case is made individually with respect to each of them. But Senators should not say, "You cannot solve any of the textile problems unless you solve all of our problems also."

The subcommittee under the direction of its distinguished and able chairman, the Senator from Rhode Island [Mr. PASTORE], took hundreds of thousands of words of testimony. It was pointed out therein that textiles are second only to steel in importance to the defense of the Nation. In addition, it was pointed out that since the conclusion of World War II the United States has lost nearly 1 million jobs in the textile industry and that nearly 1,000 textile mills have had to close their doors.

At long last, after much effort and many years of trials and tribulations, some of the recommendations of the distinguished Senator's subcommittee, are beginning to come to fruition, yet some of our colleagues have come to the Senate to offer amendments. They would say to us, "We are going to stop you cold. You cannot proceed one inch further, unless you solve at the same time every problem relating to the agriculture of our country."

That is indeed a peculiar way to seek to legislate on the floor of the U.S. Senate. Despite my great affection and

admiration for this group of distinguished Senators, I hope the amendments will be overwhelmingly rejected, and that the bill which is pending before the Senate will be overwhelmingly approved. Then from time to time we can attempt to solve other problems which may arise in the agricultural area. I pledge, as one Member of the Senate and as one member of the Committee on Agriculture and Forestry, to do whatever I can to assist Senators in the solution of those problems.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. TALMADGE. I am delighted to yield to my distinguished friend from Nebraska.

Mr. HRUSKA. I am wondering, in reference to section 204 and the exercise of Presidential power thereunder, whether I have been laboring under a misapprehension. It is my recollection and information that no procedures are prescribed by section 204. There are no outlines. There are no standards. Nothing is indicated in the section except a bare exercise of Presidential discretion.

The Senator from Georgia has indicated that there have not been congressional investigations with respect to other agricultural products, such as has been conducted with respect to textiles. I ask the Senator from Georgia whether it is his understanding that it is necessary to have a congressional investigation prior to the time the President can take action under section 204?

Mr. TALMADGE. No; that is not necessary at all. That has been the procedure with reference to the textile bill. This is not something which was done on the Senate floor in one day. This procedure was started the very first year I became a Member of the U.S. Senate, in 1957. An investigating committee was appointed. The committee went throughout the country and took evidence. It came back with recommendations. The bill before the Senate is the culmination of 5 years of work by U.S. Senators.

I suggest to the Senator from Nebraska that the same thing might be done with reference to the problems which the Senator wishes to be covered by the amendment. I know there are problems relating to the importation into this country of certain meat products. I stand ready to help the Senator in any way I can. However, I do not think the Senator ought to say you are trying to solve one great problem, but we are not going to let you solve any problem unless you solve all problems simultaneously.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield now to the distinguished Senator from Rhode Island.

Mr. PASTORE. I say this with full respect for my good colleagues from Nebraska and South Dakota.

The Senator took occasion to mention the golden key. There was nothing mysterious or mystical about the contact with the White House. We have been engaged in this endeavor since 1958.

If anyone wishes to classify anything as being a gold key, I would say that the cotton resolution was the key. That is how we started. That was the genesis of what is before the Senate now.

It has been a hard, uphill fight. We were met with a deaf ear in the beginning. We kept at the fight for years. We held hearings and more hearings. We issued our first report February 4, 1959. We issued another report in April 1961. We issued another report in 1962. We kept working on the problem.

We went before the Tariff Commission, too, and we were rejected time and time again. The situation continued to get worse and worse and worse.

Finally we made a recommendation for mandatory quotas, which was rejected. The President suggested, in the seven point program, that possibly we might work out some voluntary quotas. We have done all that.

We have the agreement, but the agreement will become inoperative if we allow other people not party to the agreement to come in through the back door to destroy the effect of the agreement. That is already happening.

If we do not do something now the program will collapse. If we have to wait until the President of the United States takes cognizance of the amendment, until the President calls in all the countries exporting meat products, in which the Senators are so much interested, that cannot be done in a hurry. That may take months and months, years on this problem. By the time all that is done the industry will have died.

That is all we say this afternoon. We know relief is needed in other areas, but we ask Senators not to kill the textile industry off in an endeavor to obtain their desired relief.

Mr. TALMADGE. I thank the distinguished Senator for his very eloquent contribution.

Mr. HRUSKA. Mr. President, will the Senator yield further?

Mr. TALMADGE. I am happy to yield to my friend from Nebraska.

Mr. HRUSKA. It seems to me, Mr. President, that the Senate has under consideration a proposal to grant absolute power to the Chief Executive in the field of agricultural production in this particular respect under section 204.

Now we are asked to broaden that power. As I previously indicated, there is no semblance of any requirement of any kind. There are no standards, no guidelines, no procedures. All we would do would be to throw ourselves upon the mercy of the Nation's conscience which is temporarily represented, as it were, by the present President of the United States. In essence that is what the cotton textile industry has done.

In a different way the other sectors of American agriculture have done the same thing, though perhaps not on such an official plane as in the particular case before us. But I submit that when extended hearings are held before the Tariff Commission, when speeches are repeatedly made on the floor of the Senate and by the Secretary of Agriculture as to the direct circumstances in which we find other sectors of the agriculture,

it is to be presumed that the President of the United States is fully informed on all those questions.

During the 1960 campaign he claimed many times that he was in possession of all the necessary facts showing that agriculture generally, and the sectors to which I refer specifically, were in a critical position. It is not a question of not having the information. He has the information. He himself has said so. His appointed officers from the Cabinet level on down have the information. It seems to us that with this situation and since we have a Chief Executive who has said, "Let us not deal with this subject item by item; let us not do it piecemeal: Let us do it all at one time by categories," we should offer him that opportunity. In fact, we have encouraged him. If he does not want encouragement, let us use a little compulsion so that he will make available to other sectors the benefits of the authority given to him by Congress.

Mr. TALMADGE. Mr. President, in reply to the Senator, section 204 of the Agricultural Act of 1956 has already been passed by the Congress. We are not debating that particular issue now. The only question that is before the Senate is whether an international agreement will be made effective and enforceable with respect to nations which are not parties to that agreement.

I am sympathetic with the problems of the distinguished Senator from Nebraska, but he ought not to use the measure now before the Senate as a vehicle to try to prevent any relief for an industry that is badly in need of help. If the Senator complains about trade policies, he will have an adequate opportunity to debate that issue and offer amendments when the trade bill comes before the Senate for action. But the trade bill is not now before the Senate. The only question pending at the present time is that of the implementation of section 204 of the Agricultural Act of 1956. The question is whether we are to let one or two small countries, or Red China, Russia, or their satellites destroy an agreement that has been made by countries which produce 90 percent of the world's textiles.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to the distinguished Senator from Florida.

Mr. HOLLAND. I thank the Senator.

Mr. President, I do not think I need to tell the distinguished Senator from Nebraska that I am interested in his problems, because his problems in the field we are discussing come much nearer being my problems than is the case with respect to the present issue relating to cotton textiles. There is not a single cotton textile mill in my State, so far as I know, though a small amount of raw cotton is produced in my State.

On the contrary, in Florida there are great numbers of livestock, as the distinguished Senator knows. I think he knows that a citizen of our State is now president of the National Cattlemen's Association, which would indicate something about the stature of our State in that field.

As to timber and timber products, I think the Senator knows that we are a very large producer in that field.

As to dairy products, poultry and poultry products, and perhaps other products, production in my State of those particular products greatly exceeds our production of cotton. As I have already said, we do not have any cotton textile plants, as is well known to our near neighbor, the distinguished Senator from Georgia.

So the cause of the Senator from Nebraska is our cause on that issue. But I remind him that the effort with respect to textiles has been going on for a long time, as I have had an opportunity to know personally. Before a subcommittee of which I had the honor to be chairman came the distinguished Senator from Rhode Island [Mr. PASTORE] as chairman of the Subcommittee To Study the Domestic Textile Industry of the Senate Committee on Interstate and Foreign Commerce.

On our subcommittee were not only Senators from this side of the aisle, of which I happened to be one, but from the other side of the aisle there were the distinguished Senator from Maine [Mrs. SMITH], who was the ranking minority member, and the distinguished Senator from Massachusetts [Mr. SALTONSTALL], who was also a minority member of that subcommittee. When the Senator from Rhode Island [Mr. PASTORE] and the Senator from South Carolina [Mr. THURMOND] came before us, we unanimously agreed that this was a field that badly needed help—so badly that we not only gave our assistance in establishing a special study commission, but also, we provided money in the bill, before the commission was actually created, as I recall.

Mr. PASTORE. Mr. President, will the Senator yield to me for an observation?

Mr. TALMADGE. I am delighted to yield to the distinguished Senator from Rhode Island, so that he may carry on a colloquy between himself and the Senator from Florida.

Mr. PASTORE. There was abundant proof before our committee that the textile industry, particularly with relation to woollens and worsteds, had deteriorated so much in the past decade that, God forbid, if we were to have another world war we would not have facilities in the United States to put the necessary cloth on the backs of our soldiers. That is how serious the situation is. That is the reason we have gone this far. That is the reason we are as enthusiastic and as vigorous as we are in the present campaign.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator from Rhode Island for his comment, which is true.

In the subcommittee we found abundant reason for bipartisan action. That was the finding later, in the full Committee on Appropriations. Later this particular bill, or others similar to it, came before the Committee on Agriculture and Forestry, another committee of which I am a member, and of which

the distinguished Senator from Georgia is also a member. As I recall, the measure was reported from that committee unanimously because we knew that textiles and the cotton industry were in a serious condition.

Mr. President, I assure my good friend from Nebraska that I will help in any way I can to attain the objectives which he has in mind. I give the same assurance to my distinguished friend from South Dakota, who is also a member of that committee. In helping them, I shall be helping myself in my own State, because it has problems in that field.

There is now before the Senate a measure, ready for action, under which the temporary agreement would not expire until October, and the permanent agreement would then come into force. It is proposed by the amendment that no action be taken either in support of the temporary agreement or in support of the permanent one, which would come into effect in October, until other fields of agricultural production are served by the same kind of agreements, arrived at on an international basis with various groups of nations.

Those nations are not the same nations which are engaged in the textile industry. They are not the same nations that are engaged in the production of beef, lambs, timber, or the other products that have been mentioned.

I believe upon further consideration my distinguished friend will realize that this is not the time and place to raise the question as to what should be our permanent policy on this question. We have no one to negotiate these questions but the President. When a distinguished member of the party on the other side of the aisle was the President, we were for the measure, as we are now. We received sympathetic consideration and help from President Eisenhower. There has been an extension and continuation of that sympathy and help from the President now presiding over our Nation.

The issue is not a partisan or regional one, but it is a matter of very great importance to this Nation, which is now seeking to renew its prosperity, to employ people who have been discharged, and to make prosperous businesses which have languished for many years.

Mr. President, I hope that my distinguished friends will not insist upon their amendment, because upon further consideration, I believe they will realize that they would make of cotton textiles the most discriminated-against group in the whole category of the agricultural producing industry, in that it would provide that until each of these other industries, and every one of them, had been served by a similar agreement, the cotton textile industry, which has acted first, and which, I believe, was most cruelly affected by the situation which we have lived through, could not have any relief; whereas each of these other industries would have the relief, provided under their amendment just as quickly as an agreement in the particular industry had been worked out.

I do not believe my distinguished friends want to discriminate in that way against the diligence and against the industriousness of those who have been hurt the worst during the lack of prosperity through which we have passed in that industry, and which has been a calamitous blow to the prosperity of many States.

My own feeling is that we should very promptly pass the bill and allow the President by appropriate action to prevent a few recalcitrant nations from wrecking the common effort of ourselves with 18 other nations, comprising among the 19 of us the producers of about 90 percent of the textiles of the world. Can we say that the remaining few nations, producing about 10 percent of the textiles, should be permitted, by diverting disproportionate amounts of their production, to wreck a program so beneficial in its purpose and so completely important to a large segment of our Nation and to many great States? I do not believe my distinguished friends would want to be in that position. I respectfully request them to withdraw and not insist upon a consideration of their amendment or the adoption of their amendment.

I thank my distinguished friend from Georgia.

Mr. TALMADGE. I thank the Senator from Florida. He has succinctly summarized the situation which confronts the Senate at the present time. Being a Senator from a State producing every one of the items referred to in the amendment, I know something about the problems of the meat industry and the producers of meat products.

I say, in conclusion, that I certainly stand willing to do what I can to help solve the problems of the meat industry. However, I do not believe that we ought to wreck a partial solution of the textile problem because totally unrelated problems are not being solved simultaneously.

Mr. SALTONSTALL. Mr. President, I should like to speak very briefly on this subject. I agree completely with what the Senator from Florida has said. The purpose of the bill is to make effective what the President has done in a multilateral agreement. The multilateral agreement came about from an effort to have bilateral agreements effected. When 90 percent of the imports come from these 19 countries which are covered by the multilateral agreement, that effort will not be effective unless an amendment to the act of this character is adopted. The other 10 percent, which will come from countries that are not in the multilateral agreement, are permitted to bring about imports that will make ineffective the multilateral agreement.

It means much to us in New England in the textile industry. It means much to us when this cotton processed for countries abroad is going abroad at lower prices than our textile mills have to pay here.

Therefore, I hope the bill will be passed and that the amendment sponsored by our friends from the Middle West will

not be offered or, if it is offered, will be voted down.

I personally have no objection and no criticism of the efforts being made on the part of these other industries, the cattle industry, or the pig industry, or any other industry, if and when the proper time comes for such an amendment to be offered. However, certainly those industries are not in the same position as is the cotton textile industry at the present time. So, therefore, Mr. President, if the amendment is adopted it will eliminate the possibility of the President carrying out what he has undertaken to do by this multilateral agreement. Therefore, I hope that the amendment of the Senators from Nebraska and South Dakota will not be offered; but if it is offered, I hope it will be voted down.

I can assure them that at the proper time and when the circumstances are ripe, they will have a friend in me, if the circumstances are the same as they are in the textile industry today. We want to preserve the textile industry in New England and in the South and in other parts of the country. We want to build it up. The multilateral agreement which the President has made means a great deal to the cotton textile industry in the various States of the Nation.

Mr. MUNDT. Mr. President, I send to the desk an amendment identified as 5-15-62—A, offered on behalf of myself and the Senators from Nebraska [Mr. HRUSKA and Mr. CURTIS], the Senator from South Dakota [Mr. CASE], and the Senator from Colorado [Mr. ALLOTT].

I ask unanimous consent that the amendment be not read but may be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 1, line 12, strike out the period and quotation marks, insert a colon, and add the following: "Provided, however, That no agreement in regard to cotton and cotton textiles shall be enforced pursuant to the provisions of this section until such time as the President has negotiated agreements with representatives of foreign nations limiting in like manner the export to the United States from foreign countries of the following commodities: Beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, timber and timber products, and dairy products."

Mr. MUNDT. Mr. President, as one who represents a great agricultural State, let me say, first of all, that I am pleased by the assurance of senatorial support for the position which has been advanced by those of us who have cosponsored the amendment. While understandably the sponsors of the bill disagree with us concerning the matter of timing, I am happy to receive the pledges of support which have been enunciated on the floor, and hope that they will grow and grow in number until we have solved the very serious problems confronting other segments of the agricultural industry, in addition to cotton.

Mr. President, one of the first lessons anyone learns in this fascinating busi-

ness of legislating is that one must legislate when the opportunity presents itself. One learns very early in this game that if he lets the bus go by and then tries to legislate with nothing but the taillights staring him in the eye he very frequently never has another opportunity to come to the rescue of his constituents who are in difficulty.

It is true that the cotton textile industry is in difficulty. I sympathize with the problems with which that industry is confronted, I want to be helpful to it. I attended some of the hearings that were held under the able leadership of the distinguished Senator from Rhode Island [Mr. PASTORE]. At that time the committee members were discussing imports of wool and manmade fabrics and synthetics and silk in one big, common approach along with cotton to protect the textile industry. However, somewhere along the line their goals have become smaller and more remote. In all events, they now have no place in their approach for any help for great segments of our agricultural industry which are covered in the original section 204 of the act, and for which the very same procedures we are discussing here were designed for utilization in the protection of other segments of our great economy.

The amendment which we have offered would provide to all the farmers of the country the same benefits which would accrue from the proposed legislation only to cotton producers and cotton textile manufacturers. It has long been my understanding that when we legislate in Congress, we should try to legislate in such a manner as to keep in mind the national problems as a whole, and to provide equal protection to people who are suffering from similar problems; and that only on rare and disappointing occasions do we legislate for a favored few, when we have the opportunity to legislate for all.

Mr. MANSFIELD. Mr. President, will the Senator from South Dakota yield, without losing his right to the floor?

Mr. MUNDT. I yield with that understanding.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, after consultation with the distinguished minority leader [Mr. DIRKSEN]; the distinguished Senator from South Dakota [Mr. MUNDT], the author of the amendment; Senators who have joined with him in offering it; and other interested Senators, I am prepared to submit a unanimous-consent request.

Mr. MUNDT. Mr. President, first, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be stated.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Thursday, May 17, 1962, at the conclusion of routine morning business, during the further consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956, debate on the proposed amendment by Senator MUNDT, numbered 5-15-62-A, and all amendments thereto be terminated at 2:30 p.m., to be equally divided and controlled by Senators MUNDT and ELLENDER: *Provided further*, That no amendment that is not germane, unless to introduce a new commodity, to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 30 minutes, to be equally divided and controlled respectively by the Senator from Louisiana [Mr. ELLENDER] and the Senator from South Dakota [Mr. MUNDT].

Mr. MILLER. Mr. President, reserving the right to object, I ask the distinguished majority leader whether under the proposed unanimous-consent agreement I might have the opportunity to offer an amendment? I may wish to do so; I am not sure yet that I shall. I desire to elicit some information before doing so.

Mr. MANSFIELD. The proposed unanimous-consent agreement was offered with the assurance that only the one amendment would be considered. However, I am prepared, if the Senator from South Dakota and Senators who have cosponsored his amendment are agreeable, to allocate one-half hour within the time until 2:30 for the offering of any other amendment. I am about to ask unanimous consent that the Senate convene at 11 a.m., instead of 12 o'clock noon, tomorrow.

Mr. MUNDT. Mr. President, several Senators who are not now in the Chamber have indicated an interest in speaking on the amendment; and furthermore, the time being allotted is being cut pretty thin.

Would it not be better to allocate an extra half hour, if necessary, from the hour to be set aside for the consideration of the bill?

Mr. MANSFIELD. Mr. President, if that is agreeable to the Senator from Iowa, I make that modification in the proposed unanimous-consent agreement.

Mr. MILLER. That is entirely agreeable.

The PRESIDING OFFICER. Without objection, the proposed unanimous-consent agreement, as modified, is agreed to.

(The unanimous-consent agreement was subsequently reduced to writing, as follows:)

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Thursday, May 17, 1962, at the conclusion of routine morning business, during the further consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956, debate on the proposed amendment by Senator MUNDT, numbered 5-15-62-A, and all amendments thereto be terminated at 2:30 p.m., to be equally divided and controlled by Senators

MUNDT and ELLENDER. *Provided*, That debate on an amendment to be offered by Senator MILLER to the bill be limited to 30 minutes to be equally divided between Senators MILLER and ELLENDER. *Provided further*, That no amendment that is not germane, unless to introduce a new commodity, to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 30 minutes, to be equally divided and controlled respectively by the Senator from Louisiana [Mr. ELLENDER] and the Senator from South Dakota [Mr. MUNDT].

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the quorum call under rule XII, which would take place at 2:30 p.m., be omitted.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. DIRKSEN. Mr. President, if the Senate is to convene at 11 o'clock tomorrow morning, I ask unanimous consent that the Committee on the Judiciary be permitted to sit during the session of the Senate.

Mr. KEATING. Mr. President, does that request include subcommittees of the Committee on the Judiciary?

Mr. DIRKSEN. I am thinking only of the Committee on the Judiciary, because technically the wiretapping bill is before the full committee.

Mr. KEATING. I am sure that if he were in the Chamber, the distinguished Senator from Connecticut [Mr. DONN], who has scheduled hearings dealing with narcotics before the Subcommittee on Juvenile Delinquency, would wish to have extended to his subcommittee the privilege of sitting during the session of the Senate tomorrow. Could such a request be included?

Mr. DIRKSEN. Mr. President, I make that request, as well.

Mr. HOLLAND. Mr. President, reserving the right to object, does not the request of the Senator from Illinois imply that if it is granted, an additional hour will be provided for the debate covered by the preceding unanimous-consent request?

Mr. DIRKSEN. No; my request is wholly independent of the unanimous-consent request. It is a plain request for the Committee on the Judiciary to meet, notwithstanding the session of the Senate tomorrow morning.

Mr. HOLLAND. I understood the request of the Senator from Illinois to include having the Senate convene at 11 o'clock tomorrow morning.

Mr. DIRKSEN. No; I merely said, "if the Senate is to convene at 11 o'clock tomorrow morning"; and that request has not been acted upon.

The PRESIDING OFFICER. Without objection, the Committee on the Judiciary is authorized to meet tomorrow morning during the session of the Senate.

ORDER FOR RECESS UNTIL 11 O'CLOCK A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the

Senate completes its business this evening, it take a recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE IN ORDER FOR CALL OF CALENDAR TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the previous unanimous-consent agreement, providing for the Senate to proceed to the consideration of unobjected-to measures on the calendar at the conclusion of the morning hour, be changed to provide for their consideration in the period following the disposition of the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, will the Senator from Montana yield for a question?

Mr. MANSFIELD. I yield.

Mr. PASTORE. How late does the Senator from Montana expect the session today to continue?

Mr. MANSFIELD. No votes will be taken tonight. So it will be up to the Members of the Senate to decide how long they wish to speak and to have the session continue.

AMENDMENT OF THE AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

Mr. MUNDT. Mr. President, a moment ago I was endeavoring to state that in my opinion agricultural legislation and all other legislation generally should be designed to take care of as many Americans as possible who suffer from identical problems; and I believe we should move very slowly in the direction of establishing precedents to take care of certain select groups at a time when other groups have the same or similar problems and at a time when other groups, if not relieved by such legislation, may never obtain the relief to which they are entitled.

I know that in the Senate Committee on Agriculture and Forestry we frequently try to deal with the various farm problems and to legislate in such a way that legislation good for the farmers in one part of the country will also be good for the farmers in other areas; and we are always completely disinclined to play off one segment of agriculture against another.

Mr. President, the pending bill is good as far as it goes, and I am inclined to support it because it helps solve a problem which exists in one area of the country. But the bill does not go far enough, because it is blind to other problems which confront agriculture in other areas of the country.

Bluntly stated, the pending bill is special legislation for the benefit of the cotton-textile industry. The bill is designed to meet the problems of that industry; and if that industry were the only one in the country which had similar problems, I would say the bill would constitute good legislation. But when other producers and other processors in the country are confronted with the

same problem, it seems to me the Senate should use its collective judgment to try to secure for all the relief which this measure would provide for only some.

Recently, in the Senate Committee on Agriculture and Forestry, we concluded the writing of the highly contested and rather complicated so-called omnibus farm bill. In it we have tried to include provisions which will be of benefit to a great many different segments of the economy. Even the urbanites are taken care of in the bill, because it provides for improved recreational opportunities and better uses of farmland in which urbanites can have direct benefit. In that measure we did not single out one segment of agriculture and try to correct only its problems while we were confronted with identical problems applicable to other areas.

Therefore, I think the type of amendment which we have proposed in this case—an amendment which simply would deal with all the agricultural activities and problems which stem from the same source, namely, surplus commodities coming from abroad—is a good one, for I sincerely believe that good legislation is legislation for the benefit of all, not for the benefit of only a few.

So our amendment deals with beef producers and beef processors who suffer from the same problem as that from which the cotton producers and cotton processors and the textile industry suffer; and the amendment deals also with the pork producers, the poultry producers, and especially with the lamb producers and processors, who are the victims of an even greater attack from imports, as compared with that suffered by the textile industry.

Likewise, the amendment includes the dairy industry, which is in a serious plight, and needs assistance, and suffers from direct competition from imports—just as do cotton and its products.

So, Mr. President, we proposed to make the benefits of such protection available both to cotton producers and to the producers of beef, the producers of pork, the producers of timber, and the producers of poultry and poultry products and dairy products. We would extend the same protection benefits to both the cotton producers of the South and the dairy producers of Wisconsin, Minnesota, Michigan, upstate New York, the Dakotas, and elsewhere, because the reasoning for such provisions is four-square with the reasoning which rightfully has been advanced in connection with the bill as it now stands. In other words, we would expand the bill, so as to have it apply fairly to all, instead of to only a few.

By the adoption of our amendment, we would finally find a way to stop the importation of hams from Communist Poland, for example—for the administration continues to permit the importation of hams from that Communist country, and those importations result in driving down the price of the hams and pork products produced by U.S. farmers. By means of our amendment we would increase the protection applicable to competitive imports which are damaging the U.S. beef industry and the U.S. sheep industry.

Legislation of this kind, which has been worked out for the benefit of cotton and the cotton-textile industry, would work with equal certainty for the benefit of these other products. In my opinion, we should not engage in writing favoritism into congressional legislation. I think such special favoritism legislation is especially unhappy when it is applied to the field of agriculture, because these days we are reading in the daily newspapers about altogether too much favoritism being manifest in agricultural workers.

Clearly, Mr. President, there are a series of problems, similar in nature and identical in cause, which can be eliminated by means of the same solution. So why should the bill be limited to cotton textiles, when we have an opportunity to include the rest?

It may be argued that cotton textiles are in serious condition. I know they are, and I think they need some legislation. But, in my opinion, the "rescue squad" is rushing in and is attempting to have this bill passed now, for fear that the pending tariff legislation, proposed from the White House, is going to make a bad situation even worse for the rest—and well it might. In fact, if those of us who are concerned with other agricultural products were to let that happen—let the cotton and the cotton-textile industries completely clog the escape hatch, so that no one else could get out—I am afraid that would increase the likelihood of the passage of an obnoxious tariff bill which then would do great harm and great damage to all segments of the agricultural industry except this particular one, which then would be "sitting on cloud nine"—I refer to the cotton and the cotton-textile industry—and when looking down on the others, would be saying, "We got ours while the getting was good. Now we are 'out from under'; but you are still there, and we sympathize with you."

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. DWORSHAK. Is there any reason, in the name of a sense of fair play and equality, why all other commodities should not be given treatment equal to cotton and textiles?

Mr. MUNDT. If there is, the Senator from South Dakota has not heard it on the floor of the Senate. Although he has heard eloquent speeches on behalf of textiles, he has not heard any argument why one group should be so treated and the other should have to suffer from competition with the rest of the world.

Mr. DWORSHAK. This proposal is designed primarily to have political appeal in an election year. Would not that same appeal be effective in areas outside of those which are interested in cotton and textiles?

Mr. MUNDT. I am not sure I understand the Senator's question. I do not believe the proposal to provide protection for the cotton and textile industry against the President's new tariff plan and program is politically inspired. I think it is economically inspired. I think they are suffering from an economic situation. I think they recognize

that, unless they are excluded out, they will be included in the President's new tariff proposal, and if so they can be hurt even worse than they are. But it seems to me that, in view of the curious, strange concessions made by the White House for the producers of cotton and textiles, which are denied the beef and lamb industry and poultrymen and dairymen and those raising timber and those who are engaged in timber products, there might be some connection between that action and the hope in the mind of someone at the other end of the avenue that if they take care of the cotton and textile group, they will have more chance to have the administration's tariff legislation passed.

Mr. DWORSHAK. That action is essentially discriminatory and provides preferential treatment to that economic group.

Mr. MUNDT. There is no question about that. When there are a whole series of economic groups with the same problems in the same overseas locations and an effort is made to solve one group and not the others, that is discrimination. I think even Mr. Freeman would call that favoritism. It seeks to help the favored few, and not those who do not have the entree required in the proper places to get the right thing done to solve their problem.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. MUSKIE. Purely for my information in filling in the background of the Senator's amendment, I wish to ask the Senator a question. The Senator has said this same relief has been denied the people whose cause he is pleading now. Did he mean that? Did they apply for and were they denied the same treatment now being offered to the textile people?

Mr. MUNDT. Yes. I do not want to say in the same words. They have appeared before Congress, the President, and the Tariff Commission. They have sent delegations down here trying to get protection against excessive foreign imports, and they have been denied that relief; and now the cotton and textile people are going to get it.

Mr. MUSKIE. Specifically with respect to this kind of relief, negotiations with exporting countries, has there been an effort to get that kind of relief for the people the Senator represents this afternoon? I do not ask that question in any sense except for information.

Mr. MUNDT. I would not be able to speak for all segments of the agricultural economy which we cover in this measure. The effort has certainly been made in the dairy industry with respect to cheese. As a matter of fact, a voluntary bilateral agreement has been entered into with regard to cheese. It is not identical and not exactly foursquare, but the same approach, the same protest, the same area of statistics have been presented to the Congress, the President, and the Tariff Commission. They may not have come up with the same solution, but the relief has been denied, the same relief which is being granted the cotton and textile people.

Mr. MUSKIE. In order that the Senator may understand my position, I think this relief is sensible relief. I think it ought to be granted to other industries that have suffered the same kind of injury or that risk the same kind of injury. Later this afternoon I am going to have something to say on that subject. I wanted it clear for the record what my view was so far as this industry is concerned.

Mr. MUNDT. I am glad the Senator is interested in the matter. I do not think the Senator would have to search very hard to learn—perhaps he may have learned it already—that in the State of Maine producers of other materials besides the textile industry are greatly concerned about importations.

Mr. MUSKIE. The Senator is correct.

Mr. MUNDT. We must try to find a solution.

What happens after this? We are later going to have a chance to vote on a tariff proposal which takes Congress out of the picture and gives the President of the United States the right to determine what is to be done, if we follow his request for tariff power. He has said we will get it done quicker this way. We are asked to give the President the right to establish, abolish, or impose tariffs.

So we make this proposal while we still have jurisdiction over the problem. I hope we will be able to continue it, but I am afraid, with the pressures on, that this body may succumb and turn over to the President the right to write tariff legislation. On this particular day we still have that power.

I say to my good friends from the South, who very persuasively argue, "We have our problem solved. Do not muddy up the water. We will be glad to help you later on, tomorrow, maybe," sometimes, in this legislative business, tomorrow never comes; and it is never, never, never going to come if we turn over our powers to legislate on tariffs to the White House, and our appeals are not going to be any more fruitful from the standpoint of protecting the beef producers and lamb producers and poultry producers and timber producers and dairy producers in the future than they have been in the past.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. MILLER. May I not draw the Senator's attention to the fact that we do not have to wait for the proposed new Trade Agreements Act to come before this body to be asked to delegate our legislative powers to the President? We have that proposal before us right now in the very language of the bill now pending.

Mr. MUNDT. To what is the Senator referring?

Mr. MILLER. I am referring to H.R. 10788, to which the Senator from South Dakota has proposed an amendment, which states:

The President may also issue, in order to carry out such an agreement, regulations governing the entry or withdrawal from warehouse of the same articles which are the products of countries not parties to the agreements.

There is nothing in the proposed act that I can see which has any legislative restraint whatsoever on the issuance of those regulations. Am I correct?

Mr. MUNDT. The Senator is correct to that extent, yes; but I think that is a small delegation of authority compared to the complete capitulation of our control over tariff legislation which is proposed.

Mr. MILLER. May I call attention to the fact that under section 204 of the Agricultural Act of 1956, the agreements under GATT, both the 1-year and 5-year agreements, apparently could have gone beyond merely textiles. Under section 204, which former President Eisenhower saw fit to disdain to use, Congress already has given the President sweeping authority and power to negotiate agreements.

Mr. MUNDT. The Senator is correct, and of course, the purpose of my amendment is to mandate the President to exercise those sweeping powers for other segments of the economy, which, because of the culmination of circumstances and evidence and motivations, have caused him to act for cotton and textiles.

Mr. MILLER. I thank the Senator.

Mr. MUNDT. Mr. President, the question arises: Are only the cotton and textile industries in difficulty? If so, certainly the Senate would be justified in passing the proposed legislation, because it would be helpful, and it would be justified in doing so without bringing in extraneous matters.

However, the advocates of the proposal before the Senate, and the opponents of my amendment, argue that they already have shut off 90 percent of the export cotton which comes to this country by the agreements which have been voluntarily entered into. They are concerned about 10 percent of the total imports.

When one starts to manifest the kind of concern demonstrated for 10 percent of the total imports, which is what would be done if the Senate were to pass the proposed legislation, I submit that every one of the other agricultural products named would be endangered to a greater extent than 10 percent of the total imports, which would be involved in respect to the proposed legislation now before the Senate.

The proponents themselves admit that the 19 countries produce 90 percent of the imports. They are worried about 10 percent which is coming in from those countries not covered. They wish to make those countries conform.

I think that makes good sense. I understand their motivation. I point out, however, that the economic problem, compared to that of other segments of American industry, is certainly no worse.

Let me illustrate some of the other problems. At the present time there are annual quotas on imports coming in in the dairy industry.

Butter, 707,000 pounds.

Butter oil, 1.2 million pounds.

Malted milk, 6,000 pounds.

Dried whole milk, 7,000 pounds.

Nonfat dried milk, 1,807,000 pounds.

Cheddar cheese, 2,780,100 pounds.

Blue mold cheese, 5,017,000 pounds.

These are the figures, even after the quotas have been established under section 22 of the Agricultural Act.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. MUSKIE. As a point of clarification, the textile agreements in question involve countries which export 90 percent of the world's cotton textiles. The Senator is correct on that point.

The purpose of the bill, however, is not merely to give the President power to apply the same restrictions to the countries producing the other 10 percent. The purpose is to avoid, by passage of the bill, the giving to the 10-percent countries an advantage over the 90-percent countries, to the point that the agreement with the 90-percent countries would be vitiated. In other words, without passage of the bill, the danger is that the rug will be pulled out from under the agreement with the 90-percent countries, so we are concerned not only with the 10-percent countries but also with all the countries, in the firm belief that they would feel themselves not bound if we could not deal in a similar fashion with the 10-percent countries.

Mr. MUNDT. I think the Senator is correct. As I said, I think the effort is wise, prudent and proper. The fact still remains that it is motivated by the fact that 10 percent of the total foreign imports are not covered without the kind of legislation which the proponents have in mind. It is my argument that the 10 percent does not represent as large an import threat to the cotton industry per se as is represented by the imports of all the other farm commodities which those of us associated with the amendment have mentioned.

I have mentioned the commodities brought in from the standpoint of dairy production on an annual basis. We are in that situation at a time when the Commodity Credit Corporation report for March 31, 1962, the most recent report, points out that the United States is now surfeited with a surplus of dairy products which are stored by the Commodity Credit Corporation, on which the taxpayer must pay a high storage price. We are still importing products to be pyramided on the products in surplus, produced at home, to further force down the prices the dairy producer receives for his milk on the farm.

I quote from schedule 12 of the March 31, 1962, report of the Commodity Credit Corporation, which states that there are in storage 271,040,979 pounds of butter, with a total value of over \$163 million; 67,011,196 pounds of cheese, with a total value of over \$25 million; and 425,091,846 pounds of dried milk, with a total value of over \$71 million.

The United States is importing dairy products, when the Commodity Credit Corporation has a surplus of those products of that magnitude, on which the taxpayers must pay storage fees out of their pockets. I submit that at such a time it should be wise legislation to provide the same corrective and the same cure against imports of that kind as it is proposed to provide in respect to the

cotton and textile industry by the proposed legislation now before the Senate.

So much with respect to dairy products. Let us look at some of the other products which would be included in the proposed legislation.

The timber industry, Mr. President, is in a serious fix in this country precisely for the same reason that the textile mills are in a serious fix and the same reason that the cotton producers are in a serious fix.

One cannot keep men employed in a timber mill if the Nation is getting all of its timber from a foreign country, any more than one can keep people employed in a textile mill in Maine or in New Hampshire if the Nation is buying all its textiles from Japan or some other country.

We can see what is happening. I have a report prepared by the National Lumber Manufacturers' Association, as presented in the statement made before the Senate Committee on Commerce on the American lumber import problem, April 16, 1962. This industry has taken the same steps as the cotton industry. It has come to the Congress for assistance. It has gone to the Tariff Commission for assistance. It has gone to the White House for assistance.

Somehow this industry must not have had the right knuckles knocking on the right door, because it has not gotten as far as the cotton people have.

I congratulate the cotton people for the start they have made, and I submit that a formula which is helpful to them will be equally helpful to the timber industry and to other industries. I see no good reason why we should seek to benefit only some and to continue to do injury to the others.

Let us see what is stated in the report, by the National Lumber Manufacturers' Association of April 16. I quote from page 2:

In 1961 alone there was an increase of 400 million board feet in softwood lumber imports from Canada. In the 13-year period 1949 to 1961, Canada increased her lumber shipments to the United States by approximately 186 percent.

If we are talking about the severity of the problem and if we are talking about the perils to a domestic industry, though I do not know what are the percentages with respect to the increase in imports of cotton and of textiles, I doubt that the percentages would be more excessive than a 186 percent increase in the same period of time.

In 1949 Canada supplied 5.2 percent of the U.S. consumption of softwood lumber. Last year she supplied approximately 14 percent.

On April 6 of this year the Bureau of Labor Statistics of the U.S. Department of Labor advised that there are more than 200,000 men and women formerly employed in the lumber and wood products industries now drawing unemployment compensation in America. Let me emphasize—this figure does not include unemployment in the retail and wholesale trade.

The report is replete with startling information of that kind. It demonstrates that the timber and timber products industry, along with the dairy industry and other industries included in the amend-

ment, suffer from identically the same problem, sometimes with a great degree of severity, created from the same foreign sources, yet the great Senate of the United States proposes to help only the cotton producer and to do nothing about the other industries.

The Senators from Nebraska [Mr. HRUSKA and Mr. CURTIS], my colleague [Mr. CASE], the Senator from Colorado [Mr. ALLOTT], and I feel that legislation should have a broader horizon and a wider purpose than that, and the time to legislate on that kind of problem is when the problem is before us. Certainly the time to legislate is before we capitulate to the Executive, and surrender our right to legislate at all in the great, broad traditional field of tariff legislation, as the President seriously proposes in the measure now before the committees of this very body.

I would be terribly disappointed if any of the Senators who are going to vote to create a cotton escape hatch would vote later in the session to delegate to the White House complete control over the tariff economy of this country, so that never again would they be able to cast a protective vote for textiles, cotton, or anything else. I hope that when they cast their votes in support of cotton tomorrow at 2:30 p.m. it will not be their swan song as far as protecting their constituents in the textile and cotton industry is concerned. I hope that when they vote "yes" to protect cotton, they will not at the same time say, "Good by, chum. We are voting away our authority so we can never, never help you again."

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HRUSKA. It is proposed that the Presidential power be exercised in the present instance to alleviate the troubles of the textile industry. All of us agree that the industry has troubles which are serious; in fact, they threaten its very life. We are all aware of that. But there is grave doubt as to whether the power vested in the President by section 204 should be allowed to reside in the President because it is so unrestricted. It is the recollection of the Senator from Nebraska that during considerable discussion in the other body, that statutory authority—unbridled, unrestricted, and unlimited as it is—was attacked as being an improper authority for the very reasons which the Senator from South Dakota has just recited.

Mr. MUNDT. The Senator is exactly correct. I appreciate his contribution to the present colloquy. I wish also to call the attention of all who read the CONGRESSIONAL RECORD, and especially my friends in the Senate who will be voting on the issue tomorrow, to the very persuasive, convincing, erudite, and important speech delivered on the subject by the distinguished Senator from Nebraska that appears in yesterday's RECORD at the end of the day's proceedings. It seems to me that he put the whole argument clearly, cogently, and convincingly, and demonstrated why the Senate should be concerned about the problems of all interested in raw

products in this country who are suffering from foreign imports, and not neglect all but the cotton people, as we come to legislate on the subject.

Mr. President, out in the great West some of the best timber ever to grow in God's great out-of-doors is raised. In that country is the Simpson Timber Co., with which I have had some correspondence. The Simpson Timber Co. is one of those enlightened timber companies that consider forestry a system of cropping. Great Douglas-firs are planted many, many years before they finally mature. As some of the trees are cut down in one part of the forest, the company repopulates the forest so that never again will we have a denuded area in such places. That is an enlightened, progressive, and successful timber country.

I had the privilege at one time of going through some of the lumber mills. I spent a day at the logging camp. I contemplated the manner in which a great timber crop is produced. As a consequence, I have had some correspondence with that company on the very subject which we are now discussing. First, I shall quote from a letter from the Simpson Timber Co. dated February 9:

This report—

Which they enclose—
demonstrates that BC—

I am sure the writer refers to British Columbia—

is leading west coast shipments by 200 million board feet, giving BC control of this important American lumber market for the first time in American history. This difference in wages of loggers and sawmill men alone, not to mention all other economic factors, represents an annual payroll loss to west coast sawmill communities of \$10 million.

I thanked the writer for that earlier information.

On February 28 they sent along some more. In that letter they said:

The Pacific Lumber Inspection Bureau January 1962 report of waterborne lumber shipments to the Atlantic seaboard from British Columbia and west coast mills reveals that the Canadians set a new alltime high by taking 71.4 percent of the market, which until 1961 always had been held by west coast mills.

I call that testimony to the attention of Senators who represent Oregon, Idaho, Washington, and upper California. That is a beautiful, gorgeous scenic area, which also finds its people having to work for a living, many of them in the saw mills and in the forests of the area. Senators from that area will have an opportunity tomorrow to strike a blow in defense of a great and growing industry in the Northwest. It may be the last opportunity which they as Senators will have to strike that blow if Congress loses its authority over tariff legislation.

The letter of February 28th continues:

In January British Columbia shipped to this market—

The Atlantic seaboard market—

101,006,759 board feet. Washington and Oregon shipped 40,443,828 board feet.

The portion shipped by British Columbia was 71.4 percent; the percentage shipped by Washington and Oregon was 26.6 percent.

In summation, the amendment which a number of us have coauthored, and upon which we shall vote tomorrow, can correct that kind of sorry situation.

I wish to speak a word about livestock, because livestock and poultry are in this business in the same way that cotton, textiles, and other products which I have been discussing are. We are continuing to import live cattle and meat imports at a greater rate than we did a year ago.

The carcass weight equivalent of cattle imported last year set a new record of 1,300 million pounds. The carcass weight equivalent of lamb and mutton imported last year was up from 1960, but not quite equal to the record imports of 1959.

The material to which I am referring comes from the Livestock and Meat Situation, published by the Economic Research Service of the Department of Agriculture, in its May 1962, report.

Referring to the same report, in the first quarter of this year the number of cattle imported was down from the high rate maintained during the fourth quarter of 1961, but was up almost 28 percent over the 220,000 head imported in the first quarter of 1961. So, comparing like quarters of a year ago, the imports are up 220,000 head.

Mr. President, it is not my purpose to labor the record with statistics on sheep, lamb, cotton, poultry, and eggs. They are all available. The statistics I put in the Record are merely intended to point out that those various segments of our agriculture economy face the same problem. The problem comes from the same fact, failure to protect those segments from foreign imports, which is the genesis of the proposed legislation now before us that the cotton and the textile people have been working on constructively and long, because there has been a failure to protect them against excessive imports.

I am unable to answer the question that was asked of me earlier on the floor this afternoon: What reason is there why we should be so diligent in solving the cotton problem, and be so negligent about doing something for the rest of the farm economy?

If we fail now, when will we have another chance? If we fail now, will we ever have another chance? That is a question that I suspect will have to be answered seriously by the Senators who vote against our amendment in an effort to cause us to fail now. That is not a question that the Senator from Nebraska [Mr. Hruska] and I will have to answer, because we will grab time by the forelock and do what we can, when we can, as we can, to treat the various segments of our agriculture economy alike.

Mr. President, I do not blame our southern friends and those associated with them, in the textile industry in New England, for making their fight in behalf of their constituents. We expect them to do that. However, it seems to me that in the longrun they would do much better to associate themselves with a set

of economic principles and policies which apply to all segments of our economy equally, instead of taking advantage of a fortuitous circumstance which enables them now, with White House approval, to get special consideration for a privileged group by special legislation.

I believe that in the long run they would do better to join with us, who suffer from the same problem, although we do not happen to be situated in the same fortuitous circumstances in which they find themselves, but who, in the long pull, will have to work with those who suffer from ruinous foreign imports.

It is hard to square this proposed legislation, as the Senator from Nebraska has pointed out, with the high-sounding pronouncements on unrestricted trade and international exchange which are now issuing from the White House, as a part of the plea to Congress to step down from its constitutional role of legislating in the tariff field and to turn its authority unrestrictedly over to a different branch of Government.

I hope we can defeat the second proposal, the one asking Congress to capitulate. I hope we can pass cotton legislation tomorrow, because it is devoted to a serious problem. I hope we can add to it an amendment which will give the same consideration to the timber people, to the poultry people, to the dairy people, to the producers of beef, to the producers of pork, and to the producers of lamb that we give to those who happen to be working with the fleecy substance known as cotton.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HRUSKA. I do commend the Senator from South Dakota for his very splendid presentation of this problem; for putting it in a perspective which avoids any parochial treatment of the problems of agriculture. The subject ought to be considered by category rather than by item. That is one of the pleas that our President is making currently in behalf of his trade expansion bill.

The Senator from South Dakota has been in Congress for many years. He has served with great distinction as a member of the Committee on Agriculture and Forestry, and also as a member of the Committee on Appropriations.

Perhaps he heard earlier this afternoon, during the debate of this subject, the suggestion that agriculture, insofar as the products of the Middle West are concerned—livestock, poultry, dairy, and timber, and so on—had better make a drive for a position similar to that now enjoyed by the cotton and related industries. In other words, it is suggested by some who have engaged in this discussion that the representatives of the States of the Middle West have been derelict and are guilty of laches, so to speak, for not having pursued this course of conduct earlier. We are accused of being Johnnies-come-lately, who are seeking to attach our amendment to a piece of legislation which has been designed and fashioned for another segment of agriculture.

I am wondering whether the Senator from South Dakota would subscribe to that, or whether he recalls the many things which have been done by the representatives of the Middle Western States in recent years to get relief from imports which have had as disastrous an impact as have cotton imports.

Mr. MUNDT. Indeed I have. I am glad the Senator has raised the subject. I do not want it to appear unchallenged in the Record that there has been a lack of diligence on the part of the producers of other products. Representatives of these producers have been coming to Washington time after time, and they have appeared before congressional committees time after time, and have presented testimony. They have presented testimony before the Commerce Committee from the standpoint of the timber industry, for example. They have appeared before the Tariff Commission time after time, seeking tariff relief, and they have made their appeals to the White House.

Somehow or other, that curious set of circumstances which has developed into a shower of all this largess upon the textile industry has never evolved for them.

I shall not make any allegations, but I have a hunch about it. It is a hunch which will gain some validity only after a rollcall vote is had in the Senate on this matter. If the hunch then develops into a showing that there have been those who have been induced—and I spell that word with an "i," not with an "s"—induced to go along with a program involving a complete capitulation of tariff controls by Congress, and if there are those who vote to subject themselves now to economic suicide, and act as they will act later, they will have sold out the interests of their people for the sorriest mess of pottage that has ever been put to mouth.

I hope that my hunch is not borne out. I hope for the sake of the country that my hunch is wrong. However, all of us and all those who read the Record will scan the rollcalls to see whether that Midwesterner's hunch was completely wrong and, if not, what degree of validity there was in it when the announcement was made here on the floor of the Senate in the middle of May.

I would urge my colleagues from the New England States and from the South, who are in trouble with cotton, to join us in supporting a policy and principle and program and ideal, good for all categories instead of confining themselves solely to a little piece of relief for a particular industry at a given time.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HRUSKA. Mr. President, might the Senator from South Dakota be suggesting, perhaps, that we rise above principle in this particular instance and grant relief to one industry and then, on the other hand, having cast our lot with a highly protectionist measure, which is much more protectionist than any McKinley protectionist measure could be—I say that because it involves not only a high tariff, but a subsidy, an

international cartel, and a quota system as well—we then consider a free trade proposal that might or might not be adopted? Would this approximate the thinking of the Senator from South Dakota?

Mr. MUNDT. That might be one of the causes for my unhappy but, I hope, unfounded hunch. I hope subsequent rollcalls will prove that the hunch on the part of the Senator from South Dakota was wrong and that the suspicion of the Senator from Nebraska was unfounded. Of course only time can tell. History will record the verdict. Certainly it tends to emphasize both the Senator's suspicion and my hunch. I believe that we ought to consider these problems as a group, not piecemeal; that we ought to deal equitably with all those who will suffer from the same cause, and find a way to correct the situation which plagues all of them, and not simply try to correct that situation for the privileged few. I submit that if we go all out for a free-trade policy, this little anchor thrown out to windward on the part of those who propose to have this little consideration now for cotton and cotton textiles will find that they have sent a little boy to do the milking who could not quite get the job done. Ultimately they will suffer from the unhappy economic fate which confronts the rest of our raw producers, unless Congress insists now on the right to protect and safeguard them when they are really in serious trouble.

Mr. HRUSKA. Mr. President, will the Senator from South Dakota further yield?

Mr. MUNDT. I yield.

Mr. HRUSKA. I share the hope that any misgivings or any suspicion that might be entertained by anyone will not eventually materialize when, later this year, Congress will consider the basic tariff legislation. The Senator from Nebraska would be the last one who would wish to entertain any suspicion, doubt, or cynicism in this regard.

Earlier today, we heard many protestations from Senators on both sides of the aisle that it is not hostility to the desires and goals of the proponents of the pending amendment which prompts opposition to it, but rather it is a matter of timeliness. A time will come later, when the receptivity, the sympathy, and the compassion which have been expressed so plentifully here today can be proved. That time will come when we consider the proposal giving the President of the United States total and absolute power over tariff rates or concession on tariffs. It will then be necessary to decide whether that power should be circumscribed to a certain degree. One limitation seriously under consideration would affect the power of the President to deal with countries, or a combination of countries such as those which comprise the Common Market, which impose nontariff restrictions on farm products shipped from this country, virtually excluding the American farmer from those markets. In the judgment of the Senator from Nebraska, in such cases the President should have severe limitations imposed upon his

ability to reduce tariff rates on the manufactured products which the countries concerned seek to import into this country.

After all, we are not interested in making concessions to Europe, for example, on identical articles, because there is no percentage in lowering the tariff on beans or carrots or soybeans, and getting concessions on those same products. The point in making concessions is that we will make them on items which they have to sell to us, provided they will make concessions on things which we will want to sell them.

Tariffs are not the only means of keeping goods out of countries. There are many nontariff restrictions and limitations.

I share the hope of the Senator from South Dakota that there will not be those in Congress who will shut their eyes to the realities of life. I hope they will not support a request of unlimited power. The only proposal deserving support is one having careful safeguards to insure that the powers will be exercised without prejudice to American interests in the long run.

Mr. MUNDT. I thank the Senator from Nebraska. I share that hope, not to the extent of having overconfidence, but in the realistic sense that this action will transpire as the Senator from Nebraska has urged.

In a sense, we suffer now, in connection with the proposed legislation, from the kind of centralization of too much power in the hands of too few persons involved in the suggested shift of the authority over tariff legislation from the people's representatives in Congress to the big politicians in the big offices at the other end of Pennsylvania Avenue. By virtue of the arguments arrayed against our amendment, they say it has taken a long time to induce the White House to make this concession, to make this proposal. They say, "We have brought it down for cotton and textiles. Please, you people who represent timber, beef, sheep, poultry, and dairy products, don't bother us now. If you do that, the man who made the concession might be displeased; he might not go through with his negotiations. You might be putting a stop to the activation of the cotton program, which we have in good shape. The President might eliminate the consideration of cotton and the textile industries from the theories he has been expounding around the country about the advantages of broader trade. If you mess things up, it will be serious."

That indicates what might happen if we rely too long and too much on an individual or a single branch of the Government at the Executive end of the avenue. The people's voices will have been silenced. They can express themselves only through Congress. Out of the more than 2 million Federal employees at the other end of the avenue, remember that John Public can vote for only 2—the President and the Vice President. In Congress, he can act through 100 Senators. He votes for 437 Members of the House of Representatives. He has a chance to be heard. He can talk with his Senators and Rep-

representatives. He can discuss the situation with them. All the ramifications of the problem are presented.

But that is impossible when the entire problem is placed in the hands of a great Federal apparatus which has only two persons whom the voter can reach at the ballot box in the polling place.

I think I sense the felling on the part of our southern friends about the consequences of transferring and delegating so much power to the President, as is requested in the proposed legislation which is now being considered by the Senate Finance Committee. We recall that one of them said, "I am not acting only for the cotton farmer; we have chicken farmers in my State." That is true. It is tough to go back to the people of an individual State and say, "I took care of the cotton farmer on the south side of the road, but I did not do anything for the chicken farmer on the north side of the road."

Another distinguished Senator said, "I have cowmen in my State. My State produces a large amount of cattle. It is kind of tough to be in the position of saying that I did what I could to protect the cotton man, but I could not do anything for the cowman." It is especially tough.

If by any chance we vote away forever our power, at any time in the future, ever again to do anything for the chicken farmer or the cowman, because we have said we are bowing out, we are delegating to the White House our complete control over tariffs, the public should not blame us in Congress if things go wrong.

I submit there is no way we can escape that blame, because once we delegate authority to decide, we assume the responsibility for the decisions yet to be made, because we have conveyed away the right to make them.

We must be men of sturdier stuff than to go creeping back home, saying, "Don't blame me. All I did was to decapitate myself, to disfranchise myself, and delegate all the power to the other fellow. Blame the other fellow; he made all the mistakes." That cannot be done. Once we give up our power to represent the people, we have to be responsible for what is done by the other fellow who represents them in our place.

I express the hope that tomorrow it will be possible to work out some happy formula, so that we can legislate together on a matter of principle, policy, and philosophy, so that whatever we elect to do to be helpful to that little segment of our economy which seeks help and needs it—the cotton and the cotton textile industries—we will also do the same to be helpful to other segments of our economy in the agricultural area, which are suffering fully as much from identically the same cause and is in need of the same kind of remedy.

Mr. CASE of South Dakota. Mr. President, in connection with the pending amendment, I wish to call attention to certain articles relating to the place of farmers of the United States in connection with the contemplated so-called Common Market. I ask unanimous consent to have printed at this

point in the RECORD an article entitled "Common Market and United States Agree on Farm Tariffs," by Felix Belair, Jr., published in the New York Times of January 16, 1962; an article entitled "Impact on United States Seen in Plan To Exclude Outside Goods" by J. H. Carmical, published in the same paper on February 4, 1962; a paragraph or two from the Wall Street Journal of April 17, 1962; and finally an article entitled "What It Means if We Join the Common Market," by John Freeman, published in News of the World, in London on May 6, 1962.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 16, 1962]
COMMON MARKET AND UNITED STATES AGREE
ON FARM TARIFFS

(By Felix Belair, Jr.)

WASHINGTON, January 15.—The European Economic Community has agreed to make tariff concessions on U.S. agricultural exports that last year had a value of from \$600 million to \$700 million, official sources said today.

U.S. negotiators considered as "unsatisfactory," however, proposed concessions on another group of more competitive farm commodities. These commodities had an export value of about \$400 million last year.

The United States rejected these concessions from the Economic Community, also known as the Common Market, with the understanding that they were subject to future negotiations.

An agreement, including the accepted concessions and reciprocal cuts on a wide range of manufactured products, is expected to be initiated in Brussels tomorrow. Meanwhile, the United States has served notice that in future negotiations it will insist on its "historic share" of the European market for farm exports.

COMMENT BY PRESIDENT

At his news conference today, President Kennedy guardedly expressed satisfaction with the arrangement. He said that the agreement was "on the whole satisfactory" and "is about the best that could be worked out."

The President cited two obstacles to any exchange of mutually satisfactory concessions on farm products between the United States and Western Europe. These were the rising productivity of European agriculture and the heavy balance of agricultural trade in favor of the United States.

Mr. Kennedy, in his first news conference of the year, observed that the United States in 1961 made commercial sales of farm products to Common Market countries valued at about \$1,100 million. Farm products purchased from such countries in the same period amounted to about \$200 million, he said.

From this he concluded, "it is very obvious that it is impossible for us to trade evenly with them on agriculture."

This concept was supported by major farm organizations in recent hearings on the Administration's new trade program before a Senate-House economic subcommittee. But the farm groups insisted that Western Europe grant agricultural concessions to the United States in return for U.S. concessions on manufactured and industrial products.

The President drew attention to the special problems involved in agricultural foreign trade and the 18 months devoted to negotiation of an agreement with the Common Market. He said these factors constituted a strong argument for his request for broader tariff-cutting authority than is provided by the Reciprocal Trade Agreement Act, which expires June 30.

The administration's new trade program has yet to be published in detail. It includes Presidential authority to negotiate tariff concessions up to 50 percent by whole categories of commodities, instead of item by item, as is done at present. It would also make it possible to end duties on a wide range of products in which the United States and Common Market countries account for 80 percent of world trade.

The President observed that Common Market countries had experienced an extraordinary economic growth. He said that his new program was intended to enable the United States to share in this growth through expanded trade opportunities and increasing employment at home.

The Common Market nations are West Germany, France, Italy, Belgium, the Netherlands and Luxembourg.

The U.S. farm exports to the Common Market on which acceptable concessions have been offered include cotton, soybeans, tallow, hides and skins, and most fruits and vegetables, official sources reported.

The products covered by proposed concessions that are regarded as "unsatisfactory" include wheat, feed grains, tobacco, rice, and livestock, including poultry.

Some private agricultural economists here believe that the concessions granted the United States had been largely limited to two categories. These are commodities in which this country dominates the world market and those which the Common Market countries have no plans for great expansion, these experts said.

They observed further that the products on which concessions had been "unsatisfactory" were those in which the United States had its major problem of surpluses.

Diplomatic sources suggested it would be a mistake to assume that more satisfactory concessions would not be forthcoming in future negotiations. They recalled that several Western European officials had stated publicly that U.S. farm exports should fare no worse after full realization of the Common Market's goal than before.

The President appeared confident at his news conference that the Members of Congress, when they examined all the facts, would support his new trade program.

"I believe that when the Members of the House and Senate have examined our proposal, examined its safeguards, examined what it can do for employment, I am hopeful—in fact I feel it very possible—that we can secure a majority," he said.

He termed the whole question of tariffs "a sophisticated matter, and it is difficult to explain quickly." But he said, "I think that when the educational job is done, I think the country will understand that it is in our best interest."

The President expressed his belief that the present food for peace program should be expanded. This program involves the "sale" of surplus commodities for foreign currencies without any financial return to this country.

In response to a question, the President also indicated that the domestic farm program contemplated legislative authority for rigid controls on production and marketing. The news conference, the 20th held by Mr. Kennedy, was his first since November 29. One that had been scheduled December 20 was canceled when the President's father, Joseph P. Kennedy, was stricken the day before in Palm Beach, Fla.

The news conference today was not televised as it occurred. It was recorded on both audio and video tape for later broadcast and televising.

The President, looking fit and still tan from his holiday stay in Florida, dealt with most questions briskly. He sprinkled his answers with a wide variety of facts and statistics.

TALKS HELD IN BRUSSELS

BRUSSELS, Jan. 15.—United States and Common Market officials conferred at a technical level today. Both sides were hopeful that a final agreement on tariff reductions might be reached tomorrow.

Howard Petersen, President Kennedy's special adviser on trade, discussed tariff issues with Common Market experts. A negotiating session is scheduled for tomorrow with Jean Rey, of the Common Market commission.

A U.S. spokesman said: "We certainly hope they will be able to conclude an agreement tomorrow, but there will be nothing solid before that."

TRADE AID HAILS KENNEDY

SAN FRANCISCO, January 15.—Nelson A. Stitt, director of the United States-Japan Trade Council, said today that the chances were now "50-50" to get a liberalized foreign trade program through Congress this year. "Six months ago," he said, "we would have said there was no chance."

Mr. Stitt, at a news conference on a west coast visit, gave President Kennedy much of the credit for the asserted change.

"I think he has done a pretty good job at this," he said. "A lot of people see a link between our world position and trade. They are viewing trade as an essential element in our foreign policy."

[From the New York Times, Feb. 4, 1962]
IMPACT ON UNITED STATES SEEN IN PLAN TO EXCLUDE OUTSIDE GOODS

(By J. H. Carmichael)

The food-exporting nations are greatly concerned over the new agricultural policy recently adopted by the European Economic Community. And they should be, for a study of the plan shows that it envisions their exclusion from the world's largest single market.

Coming at a period when the United States, the biggest exporter of agricultural products, is in what has been described as "a crisis of abundance" in food supplies, the plan of the European trading bloc, usually referred to as the Common Market, threatens to result in a further curtailment of American agriculture.

This bold and imaginative plan, which was adopted only after the most deliberate considerations by the six member nations in the bloc, eventually may include all Western Europe into a single trading unit. Already most of the other countries in Western Europe, largely in self-defense, have signified an interest in becoming members.

TREMENDOUS POTENTIAL

Should the outsiders be admitted, the largest single trading bloc in history would result. Encompassing an estimated population of 250 million, its potential would be tremendous and its impact on world trade in food, raw materials and manufactured goods would be felt by every nation.

According to those who have closely watched the development of the Common Market, the adoption of the agricultural policy has removed the last major obstacle in the economic integration and possibly the political unification of the Western Continent.

The farm pact, considered the most significant development since the bloc was formed 4 years ago, has the specific objective of making member countries collectively self-sufficient in food production.

The expansion of farm production, which will involve new tractors and other farming equipment, would be a major spur to the industrial development of these six countries—Western Germany, France, Italy, Belgium, the Netherlands, and Luxembourg.

The new farm policy necessarily will mean a great shift in the world trade routes and

it looks as if the United States ultimately will lose a large part of its biggest export cash market for farm products. This will be a serious blow because of the present heavy excess production of these items and the huge surpluses already built up.

In an effort to alleviate the burdensome surpluses, of which storage costs alone amount to nearly \$1 billion a year, the Kennedy administration is advocating an entirely new farm program that includes a drastic restriction of production over a long period as well as the gradual disposal of a portion of the inventories, mostly held by the U.S. Government.

To what extent the new Common Market policy on agriculture influenced the President's message to Congress last week is not known, but the prospect of losing a part of the European market must have contributed to some extent at least to the proposals to drastically limit farming operations here.

The essentials of the Common Market agreement are these:

The gradual elimination of all tariffs against each other over the next 7½ years, starting from July 1.

The establishment of identical price supports in each member country.

The imposition of tariffs on farm products imported from outside sources at rates equal to the difference between the world price and the Common Market support price.

PRICE SETUP UNKNOWN

The question that remains unresolved is at what level the new Common Market prices for agricultural products are to be set. It has been tentatively agreed, however, that eventually they would be established somewhere between the present French and German levels.

Western Germany has higher price supports than the other members. The support price on wheat, for instance, is \$3 a bushel, against \$2.20 in France. This would indicate that the price support on wheat would be about \$2.60 a bushel should the tentative agreement be carried out. Price supports on other major crops probably would be on the same relative basis.

Support prices at such levels would stimulate agricultural operations in most sections of the Common Market. Since it would apply for a long period, it would enable the farmers to mechanize with the most modern tools, and this should result in an increase in the yield to an acre.

Farming would become more efficient and the farmers using outdated methods would be "frozen out" in somewhat the same way they have been here in the last 15 years. Many had to leave the farms in this period because of the technological revolution in farming.

RISE IN EFFICIENCY

This would result in a more efficient European agriculture and would make available to industry there those persons who have been pushed off the farms. Substitution of tractors for animal power, which is still largely used on many European farms, would release grain for the production of meat and other foods for human consumption.

Generally, what is envisaged by the Common Market countries in agriculture is not unlike what has taken place in the United States in the last 10 years. During that period, farming in this country has gone through a technological revolution and has been almost completely mechanized.

Through the development of higher yielding seed, the use of more fertilizer and the adoption of better cultivating methods, including the use of chemicals to kill weeds and grass, the yields to an acre here have risen sharply.

Better methods of feeding livestock, including the use of antibiotics, also have

resulted in a greater utilization of the larger amount of grain produced on an acre. Now it takes only about one-half as much grain to produce a pound of meat as it did 10 or 15 years ago.

SELF-SUFFICIENCY GOAL

There is not much doubt that the Common Market countries, by following reasonably closely the methods used here, soon can become self-sufficient in food production. In fact, within a few years, it is quite likely that Europe may become an exporter of food rather than an importer.

The present support prices, which are high enough to encourage production in most countries, will be continued at least until next year's harvest. Although some may be adjusted downward a bit in certain areas, the knowledge that support prices will be continued and that a market will be guaranteed for products raised will stimulate activity even before the plan is put into effect.

Under the plan, an agricultural fund is to be created that would be used to aid farmers unable to finance needed equipment, to bolster markets if they should drop below the support level and to subsidize the exports of any agricultural product that develops an excessive supply.

The money for this common fund would be raised through the variable import levies on farm products from outside the Common Market. These imports now amount to some \$3½ billion a year, of which West Germany receives roughly \$1½ billion.

World prices for agricultural products now are generally below the lowest support prices of any in the Common Market countries so, at the start, the fund may grow rapidly. As the bloc approaches self-sufficiency, the accumulations will drop, but at that time its needs will not be so great.

By agreeing to the agricultural policy, the Common Market countries are described as having passed the point of no return on their road to unity. This was the last occasion when the development of the project could be stopped by the vote of a single member country. Unless all members agree to stop it, which seems most unlikely, the terms of the Treaty of Rome, which was signed by the six members in 1957, provide that it continue in effect until the economic unification of the six nations is complete.

Now that the Common Market is more or less permanently established, the question naturally arises as to how many more of the European nations may join in the near future. Britain has made a bid to join, and Denmark and Norway are expected to seek membership. At first, some of the other nations may just seek associate memberships.

Regardless of how many, if any, of the other nations in Europe obtain membership, the Common Market is bound to bring about a sharp decline in imports of farm products to the six member countries. Because of the variable tariff duties, the United States would be able to sell those countries only those items they could not produce. This would be only cotton.

In 1960, the United States sold farm products amounting to \$1,100 million to the Common Market countries, or nearly one-fourth of the total agricultural exports of \$4,824,187,000. A large portion of these exports was part of foreign-aid programs and payments were not received in dollars for nearly \$1,500 million of them. Deducting these foreign shipments, the Common Market accounted for about one-third of this country's agricultural exports in dollars actually received.

U.S. exports of farm products to all of Europe in 1960 amounted to some \$2 billion, all of which was paid for in dollars. If Britain and other European countries should become members of the Common Market, much of these exports would be in jeopardy.

Cotton and soybeans appear to be the only two major farm products grown here that would be permitted free importation into Common Market under the present plan. Since soybeans could be produced in the area, it probably would be only a short time before one of the countries in the group would decide to grow them, and an import levy by all then would follow.

Eventually grain exports from the United States to the Common Market would virtually cease. In 1960, feed-grain exports to these countries amounted to 181 million bushels, or 41 percent of the total of 439 million bushels exported.

Although this country's sales of food products to the Common Market may drop to a very low level, prospects are that there may be some increase in sales of cotton. With the standard of living expected to increase further, the use of cotton by the bloc should rise and this may partly offset the decline in shipments of food items from this country.

[From the Wall Street Journal, Apr. 17, 1962]

EUROPEAN BARRIERS

European barriers to U.S. grain and poultry exports worry Federal farm men.

As a result of expected restrictions by the six-nation Common Market, U.S. officials now figure wheat sales to the bloc could fall by 1965 to around \$35 million from \$120 million now. Poultry shipments might fall far below the current \$36 million pace. Feed grain exports, running around \$200 million now, would be least affected; land-short Europeans are reluctant to divert acreage to these crops.

Under pressure from European farmers, Common Market officials have agreed to set price supports within the six-nation community high enough to encourage internal production of wheat, feed grains, and poultry; by 1970, the six plan to adopt a new support schedule. Farmers will be insulated from U.S. competition by a variable import fee equal to the difference between internal price supports and lower U.S. export prices.

U.S. officials count heavily on congressional passage of the President's freer trade bill for bargaining power to use against European restrictions.

[From News of the World, London, May 6, 1962]

WHAT IT MEANS IF WE JOIN THE COMMON MARKET

(By John Freeman)

"What exactly is this Common Market," asked my friend in the park, "and what does it matter to me if Britain joins it?" A difficult question, but I had to go at it.

It's a group of six nations: France, Belgium, Holland, Luxembourg, West Germany, and Italy. They're sometimes called the European Economic Community and they have signed the Treaty of Rome, which pledges them to follow a common economic policy.

Between now and 1970 they are abolishing all tariffs between one another and all limitations on the free movement of companies or workers inside the market. What's more, they've set up a Council of Ministers and a small-scale international civil service to draw up the rules and see that they are obeyed.

YOUR JOB

If Britain goes in, our industries and agriculture will have to compete with the other members without any protection. Some will do well out of that, some badly.

Who would be the unlucky ones?

If I worked in motor cars or shipbuilding or market gardening or chemicals or paper and printing, I should be a bit anxious about my job.

And if I lived in Scotland or Northern Ireland I'd worry because unemployment is

already too high there, and the Government would no longer have the power to direct new industries into hard-hit areas.

But if I worked in coal, steel, heavy vehicles, textiles, or manufactured clothing, I'd be pleased.

What would happen to wages?

They would tend to even out over the whole market. But this would not necessarily harm British workers. Wages and production have recently been rising much faster inside the market than in Britain.

Still, a large area of unemployment like southern Italy must tend to undercut wages in the high employment areas because its people can go and seek work anywhere in the Community—including Britain—if we join.

Incidentally, there's to be equal pay for women throughout the Market by the end of 1964. This will cost industry a packet, but the burden will be roughly equal for all the countries except France. She'll get off lighter because her existing difference between men's and women's rates is small.

Would membership of the Market mean lower social service benefits in Britain?

Not directly. Some social benefits—e.g. family allowances—are higher in the Community than in Britain. But the state pays a smaller percentage of the cost and the worker and employer pay more.

Since one of the purposes of the Community is to "harmonize" tax policies, the British system would gradually change to the continental pattern. That would be fine when times are good. But in a slump the worker gets more protection from the British system.

PRICES UP

Are our farmers in some special danger?

The fruit and vegetable growers are—and perhaps the sugarbeet and dairy farmers. But most farmers would do about as well as they do now. The rest of us might suffer a bit—especially the poorer people.

The present system of subsidies would come to an end and the public would pay higher prices for food. Perhaps about 10 percent more in the end. To balance that, taxes might be slightly lower.

Should we have to go over to decimals and meters and driving on the right?

Not necessarily, but it might be a good idea.

Would British membership mean the end of the Commonwealth?

No. But it would mean the end of preferential trading inside the Commonwealth. There is a high tariff between the Market and the world outside.

This makes it very difficult for the Commonwealth countries to sell the food and raw materials to the Market countries.

That's why Canada, Australia, and New Zealand, who traditionally sell us their farm produce, are so set against our going in.

Would our Government be free to do whatever it thought necessary for the good of Britain?

The rules of the Market are being added to all the time. But at present, member governments are quite free except in their economic policy. There they have made binding pledges.

One reason, for instance, why many Labour politicians are against the Market is that Britain would probably be barred from some of the policies in Labour's election program.

Of course there are people in the Market who want it to become a complete federation, with the members giving up all their sovereignty. But there's no majority for that now, and maybe there never will be. Don't forget that Britain would have an equal vote with France, West Germany, and Italy.

What is the real argument for going in?

It turns on the answer to a simple question. The Common Market is already a very powerful and rapidly growing trade group

which has outstripped Britain in recent years: Are we likely to do better outside in direct competition, or inside sharing the benefits and putting up with the disadvantages?

And what's the answer?

That's for you to decide. I'll make just two comments: First, we shouldn't be in too much of a hurry.

Whatever the final decision, I don't want Britain committed to permanent membership till I'm sure there are stable democratic governments in both Germany and France.

Second, this is one of the gravest decisions Britain has ever faced. We, the people, should make it, and tell our Government what we want.

So far, the Government has treated us like children, not giving us the facts we need to make up our minds. I call on them now to tear down their curtain of secrecy and trust the British people to make a sensible decision.

Mr. CASE of South Dakota. All the articles deal with the problem of the farmer in case of adherence by Great Britain to the Common Market, and in the case of any trade agreements that might be entered into by the United States. The gist of the articles is that very grave questions would be raised for farm produce of the United States. The possibility is suggested that the only export market which would remain for us in the dollar market of Western Europe would be the market for cotton, and possibly soybeans, for a limited period of time. But the dollar market which was worth well over \$1 billion to the American farmer last year may be seriously impaired unless adequate protective provisions are placed in the agreement. One of those protections is sought by the amendment which is being proposed by my distinguished colleague [Mr. MUNDT] in behalf of himself, the Senator from Nebraska [Mr. HRUSKA], the Senator from Colorado [Mr. ALLOTT], myself, and other Senators.

Mr. MILLER. Mr. President, I am concerned about several aspects of the bill. One of them is why the bill has not been considered by the Committee on Finance, which is now considering the proposed Trade Expansion Act of 1962.

It seems to me that a bill designed to guide our policy regarding foreign trade certainly should be considered by the Senate Finance Committee, and I cannot understand why no effort has been made to have it considered by that committee.

In the debate in the House on this particular measure, no responsive answer was given to a query as to why the bill was not considered, along with the proposed Trade Expansion Act of 1962, in the House Ways and Means Committee.

I also wish to ask whether there is any intention on the part of the proponents of this bill that it be inconsistent with the Trade Agreements Act now on the statute books or with the proposed Trade Expansion Act of 1962. Possibly the distinguished Senator from Maine may be able to enlighten me in regard to this matter. Is there any intention, which does not now meet the eye, to have this bill be inconsistent with those measures?

Mr. MUSKIE. I can only state that the proposed Trade Expansion Act of 1962, as well as the current trade policy,

as written in the legislation now on the statute books, recognizes the need for adjustment provisions. After all, trade always involves adjustments. Sometimes the adjustments come in private sectors; sometimes they come as a result of governmental policy.

The textile agreements involved in the pending bill were negotiated under present law; and present law provides for this method of adjustment in connection with agricultural products or manufactured products thereof, and that relief is available both to the textile industry and—as has been agreed by all Senators who have spoken this afternoon on the subject—to the very ones for whom the present amendment would provide relief. So such relief is available under existing law. Whether it would be provided by the Trade Expansion Act of 1962—I now refer to the Senator's second question—is, in my opinion, a matter of interpretation. A little later, I shall address myself to that subject.

I believe that relief of this kind should be available to all industries which meet similar criteria in regard to injury or risk of injury.

In connection with the proposed Trade Expansion Act of 1962, I think there is some question, whether relief of this kind would be available to other industries if that measure were passed. However, I do not think the Trade Expansion Act would repeal section 204 of the Agricultural Act of 1956, under which this relief is available.

So my present guess is that, regardless of the action taken on the proposed Trade Expansion Act of 1962, this relief will continue to be available in the area of agricultural commodities.

Mr. MILLER. I understand, Mr. President, that the proposed Trade Expansion Act of 1962 would not repeal section 204 of the Agricultural Act of 1956, which the pending bill seeks to amend.

The Senator from Maine is also familiar with the fact that some think section 204 of the Agricultural Act of 1956 should be completely eliminated; they think it is unnecessary, that it is surplusage; and they believe that all these provisions should be dovetailed and combined in a new trade act or should be included in the proposed Trade Expansion Act of 1962.

Frankly, I do not know exactly what should be done; I do not know whether section 204 should be repealed or should not be repealed. My point is that if it remains on the statute books, I find it inconceivable that the proponents of this bill would expect it to be inconsistent with the Trade Agreements Act—under which this multilateral agreement has recently been negotiated—and also would expect it to be inconsistent with the Trade Expansion Act of 1962, when and if that measure is passed by the Congress. So I should like to have that assurance.

Mr. MUSKIE. I reply to the distinguished Senator by saying that our trade policy is composed of all legislation on the subject now on the statute books; and our present trade policy includes

both the Reciprocal Trade Agreements Act and the legislation in that field outside that act—such as section 204 of the Agricultural Act of 1956.

If the Senator from Iowa is asking me whether the text of this measure is consistent with the text of the present trade policy, the answer is that, of course, it is, because it has been negotiated under the present law. Furthermore, if, following enactment of the Trade Expansion Act of 1962, this measure is still on the statute books, then obviously the two will be consistent, and this measure will be a part of the whole.

All legislation involves adjustment. The Tariff Act was one of the first pieces of legislation enacted by the First Congress of the United States, and tariff legislation has been on the statute books from the time of the very beginning of our Government. We are not likely to have free trade in the near future; but our objective is to have trade expansion without having free trade, and I believe that is what we are talking about now. Side by side with our debate on trade expansion, we are concerned with trade-adjustment problems which concern various industries throughout the country; and I believe this measure is consistent with trade expansion and with providing relief of this kind to industries, adversely affected by imports, which can meet whatever criteria regarding injury the Congress deems realistic.

Mr. MILLER. I should like to ask another question: Beginning with line 9 of the bill, it is proposed to authorize the President, in order to carry out such multilateral agreements—and there could be many different ones; but, for all practical purposes, we are talking about the 1-year agreement and the 5-year agreement in regard to textiles—to issue regulations governing the entry or the withdrawal from warehouse of products coming from countries not parties to the agreements.

I am concerned in regard to whether those regulations might be inconsistent with the Trade Agreements Act or with other trade agreements acts or with the Trade Expansion Act of 1962; and I shall appreciate it very much if I may have a commitment on that point, because if I cannot get it, it is my thought that I may offer an amendment to make that point very clear. I think it might be healthy to do so in any event, because there will be some who will be concerned in regard to whether, since we are dealing with section 204 of the Agricultural Act of 1956, somehow or other we are slipping in something which may defeat the purposes of the Trade Agreements Acts and also the purposes of the Trade Expansion Act of 1962.

Mr. MUSKIE. I am sure I cannot make a commitment in behalf of the sponsors of the bill; but I may be able to suggest at least an explanation of the nature of the regulations intended to be issued pursuant to the provisions the Senator has mentioned.

I refer the Senator to page 2 of the Senate committee report, on which appears a copy of a letter from Edward Gudeman, Under Secretary of Com-

merce, to the Vice President. About 10 lines from the bottom of the page appears this sentence:

Since countries accounting for 90 percent of the free world trade in cotton textiles are participants, the same authority which the President has already been delegated by section 204 should clearly be extended to nonparticipants to prevent the minority of countries which choose to stay out of the arrangements from thereby gaining an advantage over the countries which participate in them.

It is my understanding that the regulation to which the bill refers are regulations which would apply to nonparticipants in the textile agreements the same kind of restrictions which participants in such textile agreements have voluntarily accepted. That is my understanding.

If the Senator has a further question, I shall be glad to refer it, as the RECORD will refer it, to those in charge of the bill.

Mr. MILLER. I appreciate the attempt of the Senator from Maine to answer the question. I realize he had no notice that I was about to propound this question. I think it might be well, for the RECORD, to submit an amendment, have it read and printed, and have it appear in the RECORD, because I would like to have that assurance when the bill is reached tomorrow.

Mr. President, I send to the desk an amendment, and ask that it be read and printed.

The ACTING PRESIDENT pro tempore. Without objection, the amendment will be read.

The legislative clerk read as follows:

Amend H.R. 10788 by striking the period (.) and quotation marks in line twelve and inserting in lieu thereof the following:

"Provided, That such regulations shall be consistent with all other Trade Agreements acts and all agreements negotiated thereunder and shall conform to all procedures set forth in said acts."

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. MILLER. Mr. President, I have one final concern about this bill. On line 7 we find the phrase "a significant part of world trade." I must confess that I do not know what "a significant part of world trade" means for the purpose of the bill, except that, insofar as some of the debates on the House side are concerned, it apparently means a significant impact on the national interest of the United States.

I do not know how many of us know exactly what that means. For the purposes of this legislation, it is not going to mean what Congress says it means. It is going to mean what the President of the United States determines in his own mind to be a significant part of world trade. It may be 90 percent for the purposes of the textile industry, but, under this bill, it could be 2 percent. I do not know, because the bill goes to many other products than textiles.

I suggest to my colleagues that it might be well to spell out a little more specifically what is meant by "a significant part," so Congress will be the agency to determine what it is, rather

than have the executive branch of the Government make that determination.

It is dangerous to allow this authority to go too far. I recognize the desirability of giving the executive branch of the Government considerable leeway in negotiating agreements. When there are multilateral agreements, such as that which has been negotiated with respect to textiles, probably it is well for the executive branch of the Government to have considerable authority. What I object to is that today we may have an administration which will place one meaning on "significant part of world trade," and tomorrow we may have another administration, which will have its own interpretation of it. The only way it can be made clear is for the Congress itself to spell out what it means.

If the proponents of the bill would spell it out and say 90 percent, or 80 percent, or 50 percent, it seems to me we would have a more definite basis on which to legislate in such an important part of our foreign policy.

I yield the floor.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MILLER. I am glad to yield.

The ACTING PRESIDENT pro tempore. The Senator from Maine has the floor.

Mr. MUSKIE. Mr. President, I am happy to yield.

Mr. HRUSKA. I assume the Senator has not yielded the floor.

Mr. MUSKIE. That is correct.

Mr. HRUSKA. The Senator from Nebraska is a little mystified. A basic part of section 204 gives the President absolute power to make agreements with reference to agricultural products of all kinds. Now the Senator from Iowa wants to take a somewhat technical action, it seems to me, by defining what a part of section 204, which we are asked to enact without amendment, signifies. Apparently the Senator is talking about lack of definition of one word. Is there any doubt that whatever the President says is significant will be significant. Under the provisions of the bill, if it is to be amended as the Senator requests, whatever the President says is not significant will not be considered significant. Is that not about the size of it?

Mr. MILLER. The Senator from Nebraska knows exactly what I am getting at. He and I are very much in harmony on this point. What we object to is the grant of unlimited authority to the executive branch of the Government to make the determination as to what is "a significant part" under section 204. As the Senator has pointed out, the President has unlimited authority. Now it is proposed to add to his unlimited authority the authority to determine what is "a significant part."

I was not present at the time section 204 of the Agricultural Act of 1956 was passed, but from what I have read about it, and particularly what I have read in the debates in the House in this session of Congress, it would not take much to persuade me that section 204 ought to be repealed and that we ought to dovetail in one piece of legislation, such as the Trade Agreements Act, or the Trade Expansion Act of 1962 all the powers which

the President has. But I do not think it is going to help matters to take the unlimited power that now exists in section 204 and add to that power the unlimited power to determine what "a significant part of world trade" is. I think it is high time to start restoring to Congress some of the power it should have.

Mr. HRUSKA. Power feeds on power. Section 204 grants the President unlimited power to make agreements. He comes back and says, "Give me more power, because that section does not give me any power to deal with nonagreement countries. Give me more power." Congress apparently is about to grant it to him.

I have no doubt that soon thereafter he will come back to Congress and say, "You have given me power, without limitation or restriction. But I want more power, because I cannot use this power unless you give me more power."

I agree with the Senator from Iowa that perhaps there should be a repeal of section 204, in keeping with other tariff legislation.

Mr. MILLER. In response to the Senator from Nebraska, let me say that while I could readily be persuaded to repeal section 204, with the understanding that all the powers and duties with respect to the Trade Agreement Act be dovetailed with the existing Trade Agreements Acts or with the Trade Expansion Act of 1962, I am content to confine my action on this particular bill in that respect by making it clear that nothing in this bill shall be inconsistent with any of those acts.

I fear that some interpretation may be attached to the bill which will be inconsistent with those acts. If the inconsistency were pointed out, it could be said, "This is a separate act of Congress, and even though it be inconsistent with the other acts it is on the statute books; so it must have been the intention of Congress that it be done this way."

If we adopted a clarifying amendment along the line of the one read it would remove any doubts. Then when the President or the administration acted under the existing Trade Agreements Act, or when the President acted under the Trade Expansion Act of 1962, when and if it is passed, there would not be any danger of inconsistency between this measure and those acts.

Mr. President, I yield the floor.

Mr. MUSKIE. Mr. President, on the point which has been raised by the Senator from Iowa I point out that the language of section 204 reads in part:

The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products.

There is no limitation upon the President with respect to the percentage of total world trade which must be involved in any such negotiation. The President could conduct such negotiation with countries which are involved in respect to only 10 percent, let alone a significant

percentage, of world trade. Really, the word "significant," as found in the pending bill, would be more restrictive upon the President's power than section 204 as it now reads. I offer this as an observation for the RECORD.

Mr. President, I have a few brief remarks to make in the context of the debate on the pending bill.

First, let me say to the sponsors of the amendment that it is not possible for the Senate to give to the beef producers, the pork producers, the lamb producers, the poultry producers, or the dairy producers the kind of relief which the bill would give to the textile industry. We cannot negotiate, on the Senate floor, agreements with the countries which are involved. Indeed, we cannot give even any assurance on the Senate floor that the countries involved would undertake to negotiate such agreements with the United States.

It is not possible for us, however eloquent we may be, and however justified the plea by the sponsors of the amendment may be—will it though we may—to give them the kind of relief which the bill would give to the textile industry. That is not within our power.

It is possible for the Senate to veto relief for the textile industry. That would be the effect of the pending amendment. The Senate could veto relief to the textile industry, but it does not have the power to grant similar relief to the other industries which have been mentioned.

I have said in the course of the debate that, in my judgment, industries in like circumstances which can meet similar criteria of injury ought to be given similar relief. As a Senator from the State of Maine, where cotton textiles represent an important segment of the economy, understandably I am gratified that we should have the benefit of these textile agreements.

In my judgment, this multilateral arrangement, which is without precedent, between the United States and 18 other nations covering 90 percent of the free world trade in cotton textiles, represents a sensible trade adjustment in a commodity in respect to which production in low-wage, highly industrialized areas threatens to disrupt the world market.

Moreover, not only is it a sensible trade adjustment with respect to textiles but also, if approved by the Senate, it would be a desirable precedent—I submit this for consideration of the sponsors of the amendment—for similar action in respect to the industries faced with similar conditions. The sponsors of the amendment are doing themselves and the people they represent a disservice by making it difficult and perhaps impossible for the Senate to establish a precedent.

I am happy to support the pending bill because I think it is essential to the reinforcement and strengthening of such agreements. Unless the President has authority to deal with countries not complying with such voluntary trade agreements, the value of such agreements will be lost.

It has been made clear on the floor this afternoon that a number of other commodities, not limited to agricultural

commodities, are involved in the same kind of trade problem which has confronted the cotton textile industry.

In New England, in my own State, for example, the shoe industry is plagued by a rapid increase in imports from low-wage countries.

I quote from a release which was issued by Mr. Maxwell Field, executive vice president of the New England Shoe and Leather Association, which highlights the scope of the problem:

Shoe imports rose 471 percent from 1955 to 1961—

Let me emphasize this—in 6 years shoe imports into this country rose 471 percent—

Import volume was 37.8 million pairs in 1961, equal to 6.1 percent of domestic output.

Despite this tremendous increase from 1955 to 1961, in the first quarter of 1962, this year, leather-type shoe imports increased 84 percent over the same quarter of 1961.

This is the kind of problem which faces another industry in New England and in my own State, so I am not unaware of the nature of the problem which confronts the sponsors of the amendment. I urge that we allow the textile agreements to become established as a desirable precedent for similar situations facing similar industries.

Mr. President, I ask unanimous consent that the release by Mr. Field may be printed in the RECORD at this point.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

SHOE INDUSTRY SERIOUSLY CONCERNED BY INCREASING IMPORTS

"The shoe manufacturing industry has gone on record as recognizing the need for a national program of full employment and trade expansion but, at the same time, it has expressed serious concern as to its ability to survive as a healthy industry in the face of increasing shoe imports." Maxwell Field, executive vice president of the New England Shoe and Leather Association, explained the industry's concern with sharply higher import shoe volume in meetings conducted by the association this week for its Massachusetts members.

"The shoe industry in New England," Mr. Field pointed out, "employs over 80,000 workers in 380 plants, and when employees in allied and shoe supply industries are included, total employment equals 125,000. The shoe industry is the second largest manufacturing employer in Massachusetts, with 39,000 workers and an additional 17,800 employees in the leather and allied industries."

"Shoes are the No. 1 manufacturing industries in both Maine and New Hampshire. In Maine, employment totals 21,100 shoe-workers plus 3,100 in allied firms. New Hampshire employed 17,900 shoeworkers plus 2,800 employees in supply industries. All employment figures are for the year 1961."

"New England produces one-third of all the shoes manufactured in the United States. In 1961, this totaled 200 million pairs valued at \$778 millions. Massachusetts is the leading shoe producing State in the Nation—Maine is fifth and New Hampshire is sixth in size."

Mr. Field also pointed out that "the shoe industry is sponsoring three key amendments to H.R. 9900, President Kennedy's Trade Expansion Act of 1962, which must be incor-

porated in the measure to safeguard the local shoe manufacturing industry, and its suppliers, which face increasingly severe competition from foreign shoe imports."

PROPOSED AMENDMENTS TO H.R. 9900

The three major amendments, among others, follow:

1. An amendment to section 201(a) "Authority for all Trade Agreements," which would give the President the power to "order other additional import restrictions."

This amendment merely insures that the President will continue to have the power, which he now has under existing law, to protect American industry by restricting the amount of imports.

2. An escape clause amendment, restoring the escape clause provisions of the present law, provides for relief for an industry injured seriously by foreign competition.

3. The proposed peril point amendment to the bill would merely insure substantial continuance of existing law on this subject.

SHOE IMPORTS INCREASING AT ALARMING RATE

Shoe imports rose 471 percent from 1955 to 1961. Import volume was 37.8 million pairs in 1961, equal to 6.1 percent of domestic output.

Leather-type shoe imports increased 84 percent in first quarter of 1962 over 1961—or twice our estimated rate of increase. Such volume of imports—now equal to over 8 percent of U.S. production—under existing duties, substantiates fears of shoe manufacturers for survival.

Mr. Field concluded that "shoe imports, principally from low-wage countries such as Japan and Italy, have already reached serious proportions and represent a major threat to local shoe manufacturers and in the future endangers job security of many workers in these plants."

"If imports of leather footwear continue to increase in such substantial amounts at current tariff rates, then these figures can expand by 50 to 100 percent under H.R. 9900, with its reduced tariff authorization. This rapid increase represents simply a case of lower priced labor in foreign countries competing against higher priced labor in America."

"The necessity for the shoe industry's proposed amendments to H.R. 9900 are, therefore, self-evident."

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUSKIE. I am happy to yield.

Mr. HRUSKA. The Senator from Maine has indicated that the proposed amendment to the bill, the so-called Mundt amendment, is predicated upon the President entering into multilateral agreements with respect to products other than cotton or cotton textiles.

The Senator raises the question as to what would happen if the President were unable to negotiate such multilateral agreements with respect to the other products. In that event, would the whole bill, including cotton textiles and the cotton industry, be stymied? Would it be held in abeyance?

That is a possibility. I can visualize a situation in which the President might not be able to negotiate a multilateral agreement with reference to timber and timber products, or dairy products, or any of the other categories.

Does the Senator from Maine think such a situation could be met by a modification of the amendment, to provide for a good-faith effort on the part of the President to enter into such multilateral agreements, and that, if he is unable to do so, he could then impose

similar limitations on imports in a particular category, notwithstanding the fact that a multilateral agreement was not entered into?

Mr. MUSKIE. The Senator's suggestion would improve the amendment. In further answer to the Senator, 18 other countries were involved in the negotiations. It is not a simple matter to persuade 18 countries, with their different problems and political situations, to reach agreement on a subject as delicate as the one we are considering. The present agreement has been in force for 1 year. A permanent agreement which has been negotiated will go into effect next fall. To undertake to negotiate a similar agreement for the industries covered by the amendment offered by the Senator from South Dakota [Mr. MUNDT] would be time consuming. I assume it would be at least as time consuming as were the textile negotiations. Those negotiations were in process for 2 or 3 years. To hold up the textile agreements over such a period of time would in effect destroy them. I doubt very much that the other 18 countries involved would consent to stand by and allow us to hold their signed check for that period of time, with power in us to cash it only if our own interests justified our doing so.

Mr. HRUSKA. Does not the Senator believe that the 18 nations which entered into the multilateral agreement on cotton would not also be farseeing, wise, and prudent enough to realize that if they loosed their textile exports into this country, they would meet with a stone wall of absolute protectionism? They know that. That is one of the main incentives to induce such countries to enter into multilateral agreements. If they are improvident, they will defeat their own ends and will come out with less than they now have.

Mr. MUSKIE. Does the Senator suggest that those countries might consider themselves improvident if they did not insist that the United States meet a commitment which the United States had already made in order to get the agreement of those countries? What we are considering has been negotiated.

Mr. HRUSKA. No; it has not.

Mr. MUSKIE. They have agreed. The conflicting pressures which influence all the negotiating countries have been compromised in the agreement. Now it is proposed to inject another factor. We would say, "In addition to the other conditions which we asked you to meet, we want you to wait until we try to negotiate similar agreements for livestock, beef, poultry, timber, and dairy products." Would the other 18 countries take kindly to that kind of condition?

Mr. HRUSKA. I respectfully suggest that all the contingencies have not been met. The countries to which we refer have been provident enough to say, "We will not give final approval to the long-range agreement unless you first take care of the nonagreement countries." That is the purpose of the proposed act before us now. They say, "We will not enter into this arrangement unless the nonagreeing countries are taken care of."

Mr. MUSKIE. That was a part of the original agreement.

Mr. HRUSKA. It is not a part of the original agreement, as I understand. The Senator may be correct. I am sure he has been following the subject longer than I have.

But another point stands in the way. We are told, "If the petition handed to the Tariff Commission by the Secretary of Agriculture at the President's request, asking for an equalization fee of 8½ cents per pound on either cotton or textiles, is granted, there will be no agreement on our part to the multilateral agreement that was negotiated in Geneva, Switzerland." So certain conditions have been imposed upon us. That is the reason for the present debate. The bill under consideration today in the Senate is one of the conditions insisted upon before the long-range 5-year agreement is consummated in final form.

What is wrong with a shrewd Yankee trader saying, "That is fine. We will go along with you. But there are certain things that we want before we go forward with this agreement." I do not see anything wrong with that approach.

Mr. MUSKIE. We would then probably be dealing with an entirely different set of countries.

Mr. HRUSKA. Very well.

Mr. MUSKIE. We would then be required to ask the 18 countries to stand by. In effect we would say, "Hold your cards. We will take 2 or 3 years to deal with the other countries on the subject of livestock before we proceed further. We will deal with other countries on the subject of poultry."

There may be some overlap. Some of the same countries may be involved in the consideration of other products. However, we would ask the representatives of those 18 countries to cool their heels for the 2 or 3 years that might be required to make a good-faith effort, if the Mundt amendment, which would satisfy the poultry and meat producers, were agreed to.

If the Senate should adopt the Mundt amendment, I see no reason why we should not add to the bill the shoe and leather industry. The Senator was occupied in conversation when I previously stated the figures. From 1955 to 1961 shoe imports increased by 471 percent. The shoe industry is the largest employer in my State. As an employer, it is larger than the textile industry. It is larger than the pulp and paper industry. As an employer, in my State, the pulp and paper industry is an immense industry, as the Senator, as a liberal trade proponent, may know.

If the Senator from Nebraska can cover the interests of his constituents in the bill, why should I not add the shoe and leather industry? Why should not Senators in whose States the electronics industry is suffering similar problems add amendments to cover that industry? Why do we not make the pending bill the new trade bill? Why do we not forget about the President's trade expansion bill and the opportunity that it provides for us to write an overall trade policy for the country, make the pending bill the new trade bill and include every import-affected industry in the bill?

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUSKIE. I am happy to yield.

Mr. HRUSKA. I would be happy to have those considerations brought before the Senate. But I point out to the Senator that if section 204 should be expanded to include other commodities, the proposal would be referred to the Senate Committee on Finance. I assure the Senator from Maine that if it should be referred to that committee, it would never again see the light of day. In my judgment members of that committee would not consent to give the President of the United States absolute life and death authority over all commodities, without any restriction whatsoever. I do not believe they will do so later this year.

The Senator suggested that I was distracted in conversation when he recited figures concerning the shoe industry. I heard the statistics. They do not surprise me. In our State there was a healthy watch industry. For years, through the Tariff Commission and through the President, we tried to obtain some relief from foreign imports. We found none. I still remember the black Thursday when the president of that company called the office of the Senator from Nebraska and said, "I am sorry to tell you that all your efforts have been in vain. We are closing our factory in Lincoln, Nebr., and will cease making any more Elgin watches. We are scrapping the machinery and are selling the real estate."

So the comments of the Senator from Maine about the dire straits of the shoe industry can be compared to similar problems which we have had in Nebraska. No longer is there a watch industry in our State. I am aware of these problems; but we cannot broaden this relief beyond agricultural products because section 204 deals only with agriculture.

Mr. MUSKIE. What is agriculture? Section 204 deals with agricultural products and manufactured products thereof. The shoes I have on my feet came from the back of some animal, the very livestock that produces the beef which the Senator's amendment would protect. Under the argument of the Senator from Nebraska, which would limit amendments to agricultural products, what would prevent me from moving to include the shoe industry? I would not include it on my own motion because I think there is another road which I can travel. I believe there is another road that the Senator from Nebraska can travel in order to obtain relief and write into the fundamental trade policy of this country the necessary protection.

We are dealing with an industry which, like others, needs protection. The textile industry, by reason of circumstances which may have been fortuitous, but for which the textile industry and its spokesmen were responsible, has been fighting this problem. When I was elected Governor in 1954 I was in the midst of the fight. It had been in progress for several years before. It has been continuing since that time. By the effort, sweat, and the circumstances of those affected, which appealed apparently to those with

authority to help, they have made their case. It is before us, with only one final step to be taken to nail down the relief.

I say to those who would like to see similar relief for other industries similarly affected that they would best serve that cause if they would help this industry to nail down its relief, because this would establish a precedent that would be helpful to them. By denying such relief by action on the floor of the Senate, we would set a precedent for a more liberal trade policy, not a trade policy that would grant more effective relief to industries similarly affected. If the textile industry is denied this relief, the Senate will have spoken on the liberal side of trade, not on the protectionist side of trade.

Mr. HRUSKA. Earlier this afternoon we heard the Senator from South Dakota carefully document the steps which have been taken and the efforts that have been made by other industries. This documentation is in the record. The record is very long indeed. We did not get into this fortuitous situation, perhaps because we did not give the proper knock at the proper door. The cotton industry has been able to get into a preferred position at the race-track, so we wished to make some progress at this time, because this is the opportune moment to do it. If we let this opportunity pass, we shall be under a great handicap at any later time, particularly if the Trade Expansion Act of 1962 is enacted. If agriculture receives the same treatment at that time as we are receiving here, we are going to be out in the cold forever and a day.

To ask that we fly the free trade flag and, at the same time, vote for this absolutely protectionist measure comes hard to those of us who are concerned about agricultural products which come within the scope of section 204. We see that the only chance we have under section 204 is slipping away with relief going to some but not to others. That is why we are insisting on making whatever progress we can.

Mr. MUSKIE. I believe the record will show—and I do not want to say anything that the record does not show—that I asked the Senator from South Dakota whether or not those who seek this relief had sought this particular form of relief in any negotiations under section 204. I believe he said that he understood that they had not.

My point is that the textile industry got the relief. They have traveled the road, and are in a position that will help all of us. If the textile agreements blow up, the precedent is of no effect, and they will go down the road that the perilous cases have gone and the escape-clause cases have gone, which, as the Senator knows, have provided very little relief.

Mr. HRUSKA. No relief at all. As to whether the beef and lamb industries will ever avail themselves of this relief, the fact is that there is only one man who can grant it and implement it. There are in the statute no standards, no guidelines. So there is only one man who can do it under section 204, and that is the man who occupies the office of President of the United States.

If we had something to go by, that would be fine, but we do not.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the two tables—"Impact of Imports on the New England Shoe Industry" and "Impact of Imports on the Maine Shoe Industry"—be printed in the Record at this point.

There being no objection, the tables were ordered to be printed in the Record, as follows:

IMPACT OF IMPORTS ON THE NEW ENGLAND SHOE INDUSTRY—FACT SHEET

1. Production: New England is the leading shoe producing region in the country.

	New England	United States
1961		
Shoe production: Pairs.....	198,132,000	599,790,000
Shoe shipments: Pairs.....	198,739,000	598,127,000
Value.....	\$777,736,000	\$2,272,986,000

Percent
Ratio of New England output to U.S. total..... 33.0
New England ratio of dollar shipments to U.S. shipments based on value..... 34.2

2. Employment: 80,000 shoe workers; total employment 125,000 in Northeast.

	New England	United States
1961		
Shoe workers (number).....	80,000	213,800
Total employees in shoe, leather, and allied industries.....	125,000	1,320,000

¹ Estimated.

3. Total wages of New England shoe workers estimated at \$716,077,000 in 1961.

4. Total imports of all footwear in 1961 reached 106,530,156 pairs, valued at \$125,856,258. This was equal to 15 percent of total U.S. footwear output of 730 million pairs.

5. Imports in 1961 of leather-type (non-rubber) footwear equaled 6.1 percent of U.S. output—and equaled 18.6 percent of New England volume.

6. Leather-type footwear imports have more than tripled in past 6 years—increased in past year was 38 percent.

7. Leather-type footwear imports in 1961 totaled 37 million pairs, valued at \$60 million. Imports were 10 million pairs in 1956, valued at \$18,300,000.

8. Shoe exports have been steadily declining in past 6 years—to a low in 1961 of 3,034,545 pairs valued at \$8,991,574.

U.S. footwear production versus imports, 1956-61

[In millions of pairs]

	U.S. production			U.S. imports of footwear		
	Leather	Rubber	Total	Leather	Rubber	Total ¹
1961.....	599.7	130.0	729.7	36.8	65.8	106.5
1960.....	598.4	114.1	712.5	26.6	112.1	144.4
1959.....	638.2	79.3	717.5	22.3	52.9	80.5
1958.....	587.1	64.2	651.3	23.6	19.1	46.5
1957.....	597.6	58.5	656.1	11.0	6.0	19.7
1956.....	591.7	53.7	645.4	10.0	2.3	14.8
Percent increase:						
1961-60.....	0.2	17.0	2.4	38.3	-41.3	-26.2
1961-56.....	1.35	142.1	13.1	268.0	+2,760.9	119.6
1961 ratio, imports to production.....				6.1	50.6	14.6

¹ Includes imports of slipper socks.

IMPACT OF IMPORTS ON THE MAINE SHOE INDUSTRY—FACT SHEET

1. Production: Maine is the fifth most important shoe-producing State in the Nation. 1961: Shoe production, pairs, 46,848,000; shoe shipments, pairs, 47,123,000; value of shoe shipments (f.o.b. plant), \$173,818,000. 1961: Ratio of Maine production to U.S. total, 7.8 percent.

2. Employment: Shoe industry is the largest manufacturing employer in Maine.

1961:

Shoes (except rubber) manufacturing employees.....	21,100
Tanning, leather, and leather products (except shoes).....	3,100
Total.....	24,200

3. Total wages paid to Maine shoeworkers, 1961 (estimated), \$71 million.

4. Total 1961 U.S. shoe imports equal to 6 percent of U.S. shoe production and to 79 percent of Maine output.

[In pairs]

	U.S. foreign trade in leather-type nonrubber shoes		U.S. shoe production	Maine shoe production
	Imports	Exports		
1955.....	7,800,654	4,642,134	585,369,000	48,026,000
1956.....	9,998,939	4,531,470	591,757,000	49,343,000
1957.....	10,988,477	4,397,638	597,648,000	49,055,000
1958.....	23,596,541	4,224,648	587,115,000	50,107,000
1959.....	22,276,841	3,504,712	637,304,000	54,467,000
1960.....	20,616,508	3,244,516	598,442,000	51,461,000
1961.....	30,783,813	3,034,545	599,790,000	46,848,000
Percent change 1955-61.....	+471.0	-34.6	+2.5	-2.5

Mr. MUSKIE. Mr. President, this morning the New England delegation of Senators took special notice of the problems of the shoe industry in New England, particularly as it might be affected by the proposed Trade Expansion Act of 1962. Senator CORTON, of New Hampshire, and I were designated to serve as a special subcommittee of the delegation to examine the special problems of the shoe industry in relation to trade legislation.

I am convinced that steps must be taken to provide more adequate protection for the shoe industry and other industries against sudden disruptions in their markets from low-wage producers in various areas of the world. The multilateral, voluntary agreement approach on import limitations is, to me, a practicable method of dealing with this problem. It has worked in cotton textiles; it can work for other industries.

That is why I introduced S. 1735, the Orderly Marketing Act, which would give the President the specific authority under our trade agreements program to enter into such voluntary import control arrangements.

My proposal would not destroy trade; it would provide a technique for adjusting trade to the long-range benefit of both the exporting country and the importing country. It would help provide orderly development of markets.

I cannot resist drawing attention to that legislative proposal in the context of the one we are now considering, which in effect embraces the same principle.

ADMINISTRATION OF WILDLIFE REFUGES IN OREGON AND CALIFORNIA

Mr. KUCHEL. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1345, S. 1988.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1988) to aid in the administration of the Tule Lake, Lower Klamath, and Upper Klamath National Wildlife Refuges in Oregon and California, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, at the beginning of line 9, to strike out "hereby dedicated to wildlife conservation, shall be administered by the Secretary of the Interior primarily for waterfowl management purposes, and shall not be opened to homestead entry. The following public lands shall also be administered by the Secretary of the Interior primarily for waterfowl management purposes and shall not be opened" and insert "hereby dedicated to wildlife conservation, shall be administered by the Secretary of the Interior for the major purpose of waterfowl management, but with full consideration to optimum agricultural use that is consistent therewith. Such lands shall not be opened to homestead entry. The following public lands shall also be administered by the Secretary of the Interior for the major purpose of waterfowl management, but with full consideration to optimum agricultural use that is consistent therewith. Such lands shall not be opened to"; on page 3, after line 13, to strike out:

SEC. 3. Fifty cents per acre shall be paid on all reserved public lands lying within the Executive order boundaries of the Lower Klamath National Wildlife Refuge and the Tule Lake National Wildlife Refuge, to the counties within which such refuges are located, beginning with the fiscal year 1962: *Provided*, That the total annual payment per acre to each county shall not exceed three-fourths of the average per-acre tax levied on similar lands in private ownership in each county: *Provided further*, That no such payments shall be made which will reduce the contractual obligations of the United States with the Tulelake Irrigation District or the Klamath Drainage District.

And, in lieu thereof, to insert:

SEC. 3. Subject to conditions hereafter prescribed, and pursuant to such regulations as may be issued by the Secretary, 25 percent of the net revenues collected during each fiscal year from the leasing of Klamath project reserved Federal lands within the Executive order boundaries of the lower Klamath National Wildlife Refuge and the Tule Lake National Wildlife Refuge shall be paid annually by the Secretary, without further authorization, for each full fiscal year after the date of this Act to the counties in which such refuges are located, such payments to be made on a pro-rata basis to each

county based upon the refuge acreage in each county: *Provided*, That the total annual payment per acre to each county shall not exceed 50 per centum of the average per acre tax levied on similar lands in private ownership in each county, as determined by the Secretary: *Provided further*, That no such payments shall be made which will reduce the credits or the payments to be made pursuant to contractual obligations of the United States with the Tulelake Irrigation District or the Klamath Drainage District, and the priority for the use of the net revenues shall be (1) to pay or credit to the Tulelake Irrigation District the amounts already committed to such payment or credit, and (2) to pay to the Klamath Drainage District the balance thereof until the sum of \$180,000 shall have been paid as full reimbursement for the construction of irrigation facilities to the lands involved.

On page 5, line 1, after "SEC. 4.", to strike out "The Secretary of the Interior shall retain in the Bureau of Reclamation or other bureau or agency within the Department of the Interior the full authority to lease the reserved public lands lying within the Executive order boundaries of the Lower Klamath and the Tule Lake National Wildlife Refuges." and insert "In carrying out the policy of this Act, the Secretary of the Interior shall retain full authority to lease for agricultural purposes the reserved public lands lying within the Executive order boundaries of the Lower Klamath and the Tule Lake National Wildlife Refuges."; after line 14, to strike out:

SEC. 5. The area of the water surface of the active sumps in the Klamath project lying within the Executive order boundaries of the Tule Lake National Wildlife Refuge shall not be reduced by diking or any other means to less than the existing thirteen thousand acres.

And, in lieu thereof, to insert:

SEC. 5. The areas of sumps 1(a) and 1(b) in the Klamath project lying within the Executive order boundaries of the Tule Lake National Wildlife Refuge shall not be reduced by diking or by any other construction to less than the existing thirteen thousand acres.

And, on page 6, at the beginning of line 5, to strike out "so regulated as to provide the quantity necessary (1) to maintain sump levels, as established by contractual rules and regulations, in the Tule Lake National Wildlife Refuge, and (2) to maintain the ultimate development in the Upper and Lower Klamath National Wildlife Refuges which, in the judgment of the Secretary of the Interior, will provide biologically suitable habitat for waterfowl utilization" and insert "regulated, subject to valid existing rights, to maintain sump levels in the Tule Lake National Wildlife Refuge at levels established by contract and regulations pursuant thereto, which shall be levels that in the judgment of the Secretary are adequate and practicable for waterfowl management purposes."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the policy of the Congress to stabilize the ownership of the land in the Klamath Federal Reclamation project, Oregon and California, as well as the admin-

istration and management of the Klamath Federal Reclamation project and the Lower Klamath National Wildlife Refuge, Upper Klamath National Wildlife Refuge, and Tule Lake National Wildlife Refuge, to preserve intact the necessary existing habitat for migratory waterfowl in this vital area of the Pacific Flyway, and to prevent depredations of migratory waterfowl on agricultural crops in the Pacific Coast States.

SEC. 2. Notwithstanding any other provisions of law, all lands owned by the United States lying within the Executive order boundaries of the Lower Klamath National Wildlife Refuge, the Upper Klamath National Wildlife Refuge, and the Tule Lake National Wildlife Refuge are hereby dedicated to wildlife conservation, shall be administered by the Secretary of the Interior for the major purpose of waterfowl management, but with full consideration to optimum agricultural use that is consistent therewith. Such lands shall not be opened to homestead entry. The following public lands shall also be administered by the Secretary of the Interior for the major purpose of waterfowl management, but with full consideration to optimum agricultural use that is consistent therewith. Such lands shall not be opened to homestead entry: Hanks Marsh, and first form withdrawal lands (approximately one thousand four hundred and forty acres) in Klamath County, Oregon, lying adjacent to Upper Klamath National Wildlife Refuge; White Lake in Klamath County, Oregon, and Siskiyou County, California; and thirteen tracts of land in Siskiyou County, California, lettered as tracts "A," "B," "C," "D," "E," "F," "G," "H," "I," "J," "K," "L," and "N" totaling approximately three thousand two hundred and ninety-two acres, and tract "P" in Modoc County, California, containing about ten acres, all as shown on plate 4 of the report entitled "Plan for Wildlife Use of Federal Lands in the Upper Klamath Basin, Oregon-California, dated April 1956, prepared by the U.S. Fish and Wildlife Service. All the above lands shall remain permanently the property of the United States.

SEC. 3. Subject to conditions hereafter prescribed, and pursuant to such regulations as may be issued by the Secretary, 25 per centum of the net revenues collected during each fiscal year from the leasing of Klamath project reserved Federal lands within the Executive order boundaries of the lower Klamath National Wildlife Refuge and the Tule Lake National Wildlife Refuge shall be paid annually by the Secretary, without further authorization, for each full fiscal year after the date of this Act to the counties in which such refuges are located, such payments to be made on a pro-rata basis to each county based upon the refuge acreage in each county: *Provided*, That the total annual payment per acre to each county shall not exceed 50 per centum of the average per acre tax levied on similar lands in private ownership in each county, as determined by the Secretary: *Provided further*, That no such payments shall be made which will reduce the credits or the payments to be made pursuant to contractual obligations of the United States with the Tulelake Irrigation District or the Klamath Drainage District, and the priority for the use of the net revenues shall be (1) to pay or credit to the Tulelake Irrigation District the amounts already committed to such payment or credit, and (2) to pay to the Klamath Drainage District the balance thereof until the sum of \$180,000 shall have been paid as full reimbursement for the construction of irrigation facilities to the lands involved.

SEC. 4. In carrying out the policy of this Act, the Secretary of the Interior shall retain full authority to lease for agricultural purposes the reserved public lands lying within the Executive order boundaries of the Lower

Klamath and the Tule Lake National Wildlife Refuges. Leases for agricultural purposes shall provide for the growing of grains, forage, and soil-building crops, except that not more than 25 per centum of the leased lands may be planted to row crops.

SEC. 5. The areas of sumps 1(a) and 1(b) in the Klamath project lying within the Executive order boundaries of the Tule Lake National Wildlife Refuge shall not be reduced by diking or by any other construction to less than the existing thirteen thousand acres.

SEC. 6. In carrying out the obligations of the United States under any migratory bird treaty, the Migratory Bird Treaty Act (40 Stat. 755), as amended, or the Migratory Bird Conservation Act (45 Stat. 1222), as amended, waters under the control of the Secretary of the Interior shall be regulated, subject to valid existing rights, to maintain sump levels in the Tule Lake National Wildlife Refuge at levels established by contract and regulations pursuant thereto, which shall be levels that in the judgment of the Secretary are adequate and practicable for waterfowl management purposes.

Mrs. NEUBERGER. Mr. President, although I had earlier indicated some objection to the passage of the pending bill, I have since been further informed as to some of its provisions. The area concerned is one which knows no artificial boundary put up by man, such as the State line which separates California from Oregon. I have been in close conference with the Senator from California regarding some of the objections which I first had to the bill. Since I made my objections I have learned that some substitute language has been inserted in the bill which I believe would take care of my original objections. The provision with respect to the area which is to be dedicated to wildlife conservation has in it the words "with full consideration to optimum agricultural use that is consistent therewith."

I have been assured by the Senator from California that the bill is in the best interest of his fine State and mine. I therefore withdraw any objection which I previously had to it.

Mr. KUCHEL. I am grateful to the Senator from Oregon. I should like to make a very brief statement on S. 1988. It is in the interest of the American people. It concerns the conservation of our Nation's wildlife resources. Its passage will promote the recreational use of this great area.

The bill gives congressional protection to public lands set aside as wildlife refuges by various Presidents, starting with Theodore Roosevelt. It assures farmers that the Federal Government will continue to provide a temporary habitat for waterfowl, and help prevent depredations of farm crops in the Sacramento, San Joaquin, and even Imperial Valleys of California.

The bill bears the stamp of approval of every conservation organization in America. It is recommended by the executive branch of the U.S. Government, and it is recommended by the executive branch of the government of California. It represents a legislative vehicle under which Congress will give legislative sanction to the public lands set aside by Executive order beginning more than a half century ago to accommodate

millions of migratory waterfowl as they fly from Canada on the Pacific coast flyway to Mexico and beyond. Almost 80 percent of the birds which use this great flyway land in the Tule Lake-Klamath wildlife complex for rest and feed. Many nest there.

Briefly—and I quote from the report of the Committee on Interior and Insular Affairs, which unanimously reported the bill to the Senate—the bill generally provides:

1. The public lands within the boundaries of the Executive orders establishing the Tule Lake, Upper Klamath, and Lower Klamath refuges in California and Oregon will be retained in Federal ownership with the major purpose of waterfowl management. Homesteading would be prohibited.

2. The agricultural use of these lands will be continued under the jurisdiction of the Secretary of the Interior.

3. The revenues from the leases will be shared equitably with the local counties on the basis of a payment of 25 percent of the lease revenues but not to exceed 50 percent of the average per acre tax levied on similar lands in private ownership.

4. The basic question is what will be the ultimate use of the 15,000 acres of leased agricultural land within the Tule Lake refuge and 6,400 acres in the Klamath Straits unit within the Lower Klamath refuge. Local interests have held that these lands should be sold or made available for homesteading. Conservation and wildlife groups have urged maximum use of these lands for waterfowl.

The committee believes the proposal offers a proper solution to the problem with no additional costs to the Government, except for that portion of the lease revenues that would be apportioned to the counties under the bill. The potential threat to waterfowl management is removed, and the agricultural use will be protected. The bill recognizes the Federal obligation to the local irrigation districts that must be fulfilled. At the same time it permits the United States to meet its international treaty obligations for the conservation of migratory waterfowl.

Indeed it does, and it permits the United States, also, to meet its obligations to the American people and the generations who are to follow. These public lands are unique in America; they represent perhaps one of the most important migratory waterfowl areas in all the Nation.

The Department of the Interior and the Department of Agriculture recommend enactment of the bill if amended. The Bureau of the Budget has no objection to the enactment of the measure.

At the hearing, the Secretary of the Interior, speaking for the administration and the Department of the Interior, recommended a number of amendments which I believe I can most accurately describe as being technical in nature. The amendments were accepted by the author of the bill and by the committee, and they are, of course, pending before the Senate along with the bill as I originally introduced it.

I ask unanimous consent that a number of comments published in newspapers, all favorable to the proposed legislation, be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the San Francisco (Calif.) Examiner, Feb. 14, 1962]

SPORTS AFIELD—TOUGH FIGHT DUE ON TULE LAKE BILL

(By Walt Radke)

Senator THOMAS H. KUCHEL's bill to stabilize the boundaries of the Tule Lake-Lower Klamath Waterfowl Refuges has some massive support, but it also has formidable opposition.

Although S. 1988 has the backing of Secretary of the Interior Stewart Udall, Gov. Edmund G. Brown, and Senator Clair Engle, among others, both the Tulelake Irrigation District and Siskiyou County officials will protest mightily when the measure comes before the Senate Committee on Interior and Insular Affairs on February 23 in Washington.

In a recent issue of the California Farmer, Ed Lange, manager of the Tulelake Irrigation District said that if the Kuchel bill is passed "it is going to cause great conflicts and legal action between the farmers in the basin and the Federal Government."

Lester Cushman and the other TID board members have not budged an inch from their contention that Tule Lake belongs strictly to agriculture and not to wildlife.

They contend that all legal documents, dating from the Reclamation Act of 1905 to the present, dedicate land within the boundaries of the irrigation district (including Tulelake) for reclamation purposes alone.

The documents also include a contractual agreement between the TID and the Department of the Interior and ratified by Congress. This was the contract, incidentally, the TID didn't quite live up to in the Tule Lake water level squabble a few years back.

As to the ducks and geese, the opponents to S. 1988 feel an intensive study of the Pacific Flyway (an old delay tactic) might reveal that Tule Lake "is in truth only a hypothetical paper bottleneck for the Pacific Flyway."

Further, the opponents want the study to include the feasibility of other nearby areas being developed to take over from Tule as the Nation's leading duck hotel. These include Malheur, Goose Lake, Sport Lake, Warner Valley, Clear Lake, Meiss Lake, Dorris Reservoir, and Gerber Reservoir.

They also cite economic values. The public lands involved have produced crops averaging \$2,180,000 yearly since 1952.

But if the farmers at Tule are adamant, so are the sportsmen, conservationists, and U.S. Fish and Wildlife Service. They don't believe the Klamath Basin is merely a "hypothetical bottleneck." As many as 7 million waterfowl have been counted there at one time. It is nationally recognized as one of the most important waterfowl sanctuaries in the Nation.

Further, the sportsmen are a mite confused.

They can't understand why the peewee acreage at Tule needs to be reclaimed for agricultural purposes, when the Federal Government presently is paying farmers in the State handsomely to let over a million acres of agricultural land lay idle.

As to economic consideration, the Kuchel bill would continue present agricultural allowances on refuge lands. And while the farmers at Tule would be happy to see the refuge scuttled, their colleagues in the Sacramento and San Joaquin Valleys certainly wouldn't. If Tule didn't hold the birds until late autumn, the losses by rice and barley farmers to hungry clouds of ducks would run several times \$2 million crop production the TID now claims for refuge lands. And we

haven't yet mentioned the amount of money duck hunters annually dump into the California economy. This again would be worth many times \$2 million.

Maybe the Tule Lake farmers do have present regulations on their side. But laws are revised to meet changing conditions. The Constitution is considered a legal masterpiece, but at last count it had been amended 23 times.

[From the Fresno (Calif.) Bee, Feb. 23, 1962]

THE TULE SANCTUARY

Senator THOMAS KUCHEL's bill to keep the teeming Tule Lake and lower Klamath waterfowl sanctuaries undisturbed should pass. These colorful wildlife refuges are irreplaceable. There would be an ominous finality in their extinction.

The hazards confronting the sanctuaries are of mature stature. Impending programs or reclamation and homesteading are not mere matters of turning the birds out and letting the farmers in. Basically, they would constitute the serving of small interests of a very few at the expense of the essential interests of future generations.

The Kuchel bill, by preserving the refuges, will be on the side not just of history and nature but of endless time. These were wildlife sanctuaries long before man made them so. They have served their primitive purpose since the beginning of time. Seven million waterfowl have been counted there at one time. The Nation has few comparable sanctuaries, none better.

The Tule refuges hold the birds until late autumn. If they went foraging earlier, the crop devastation in the San Joaquin and Sacramento Valleys would be many times greater than the value of new crops in the reclaimed refuges. So not all farmers want the sanctuaries converted. Few would, if all knew the full implications.

Governor Brown, Interior Secretary Udall, Senator Clair Engle, among many others, support the Kuchel bill. Sportsmen and conservationists are evangelical about it. We hope they prevail.

[From the Stockton (Calif.) Record, Feb. 14, 1962]

TRAIL AND STREAM

(By Fred Gambold)

Duck hunters who like their sport and want to see it continued can aid themselves immeasurably in the next few days, simply by sitting down and writing a letter or two.

The letters should be sent the individual hunter's Congressman or Senator in regards to a Senate bill now being considered in Washington, D.C.

Number of the bill is 1988, and was authorized by California Senator THOMAS KUCHEL, and it regards protection of the Tule Lake-Klamath area for a waterfowl refuge.

Elmer Boss, local sportsman, and a member of the board of the California Duckhunters Association, stresses importance of KUCHEL's bill because of the importance of the Tule Lake-Klamath area for migratory waterfowl.

"The area is twofold in purposes," says Boss.

"It prevents crop depredations by migrating birds, and it provides a natural flyway resting spot for birds that eventually find their way down to the Central Valley.

"Support of Senate bill 1988," Boss adds, "will prevent opening of the area to the homesteading of 14,000 acres in 160-acre sections, as asked by the U.S. Bureau of Reclamation.

"The Tule Lake area is very vital to our own Central Valley farmers. Tule Lake offers a detention spot for ducks and geese in their southward flights, thus allowing full

harvest of Central Valley crops, and yet it remains an attraction for waterfowl on their annual migratory treks.

"Any reduction of the size of the Tule Lake-Klamath refuge area, would create just that more danger to our own Central Valley crops," he concluded.

Boss also said the allowance of the homesteading of 160-acre plots would not hamper a group banding together and setting up a big commercial duck-hunting area, and this certainly would not be to the advantage of sportsmen, who now use the general fringe area without charge.

The excellent habitat area would undergo vast changes, Boss said, if homesteading is allowed.

He advised all duck hunters and other sportsmen to write immediately to their Senators and Congressmen, backing passage of KUCHEL's Senate bill 1988.

[From the Bakersfield (Calif.) Californian, Feb. 15, 1962]

RANDOM NOTES ON THE DAY'S NEWS

Those interested in the progress of the efforts of Senator THOMAS KUCHEL and others to stabilize the boundaries and secure the permanence of the Tule Lake Wildlife Refuge in California will follow closely the progress of a hearing set for February 28, before the Senate Interior and Insular Affairs Committee on a bill introduced by Senator KUCHEL for this purpose. The bill, endorsed by the Department of the Interior, would offer permanent protection for the area which is a vital breeding, resting, and nesting grounds on the Pacific wildfowl flyway.

Senator KUCHEL urges interested parties to be represented at the hearing, pointing out that there are a number of amendments under consideration. There is no intention in the legislation to impair the position of farmers presently operating within the refuge and it is the hope of Mr. KUCHEL and other supporters of the measure that "by writing into permanent statute the refuge boundaries, there will be a stabilization of the economy of the area as well as the establishment of a stronger foundation for measures to protect wildlife."

[From the Los Angeles (Calif.) Times, Feb. 19, 1962]

OUTDOORS—TULE LAKE REFUGE FACES NEW THREAT

(By Lupi Saldana)

A new threat to the future of the key waterfowl refuge on the Pacific coast flyway—the famed Tule Lake refuge—was disclosed Sunday by sportsmen.

The disclosure came practically on the eve of a showdown hearing in Washington on a bill aimed at saving the valuable area from commercial interests.

First shot in the fight to stabilize the boundaries of the Tule Lake-Klamath refuges was fired last year when Senator THOMAS H. KUCHEL introduced S. 1988.

The senior Senator from California took this action at the urging of sportsmen and officials of the State department of fish and game, who pointed out that farming and homesteading were constantly nibbling away at the refuge.

AMENDMENT

Later top Interior Department officials reviewed the situation at Tule Lake with State officials. This resulted in submission of an amendment to S. 1988 by Interior officials that would add 6,000 acres to the Tule refuge.

This, of course, set the stage for agriculture interests in the Tule sector to start beating the war drums. This they did by passing resolutions opposing KUCHEL's bill and also whipping up an amendment of their own.

Bill Lowrey, president of the Southern Council of Conservation Clubs, discloses that the proposed amendment cooked up by the agriculture interests would practically eliminate Tule Lake as it is known today.

This proposal calls for having the Government dispose of about 50 percent of Tule Lake for homesteading and farming purposes in exchange for less desirable terrain in the area, Lowrey declared.

HEARING FRIDAY

These developments have set the stage for the showdown hearing on KUCHEL's bill, which will be heard Friday at 10 a.m. in Washington by the Senate Committee on Interior and Insular Affairs.

So with the future of one of the country's most important waterfowl areas hanging in the balance, Lowrey is urging all conservationists in general and sportsmen in particular to immediately write or wire their Representatives in Congress urging them to support S. 1988 and the Interior Department's amendment.

Officials who should be contacted are: KUCHEL, Senator CLAIR ENGLE, Senator CLINTON P. ANDERSON, chairman of the committee, and your congressional Representative.

[From the Outdoorsman (published by Associated Sportsmen of California), January 1962]

INTERIOR DEPARTMENT SUPPORTS TULE-KLAMATH WATERFOWL REFUGES

Strong support for congressional dedication of the Tule Lake, Lower Klamath, and Upper Klamath National Wildlife Refuges, in California and Oregon, as permanent units of the national wildlife refuge system has been voiced by the Department of the Interior, the Wildlife Management Institute reports. The Department's position is stated in Interior Secretary Stewart L. Udall's report to the Senate Committee on Interior and Insular Affairs on S. 1988, introduced earlier this year by Senator THOMAS H. KUCHEL, of California, to "preserve intact the necessary existing habitat for migratory waterfowl in this vital area of the Pacific flyway and to prevent depredations of migratory waterfowl on agricultural crops in the Pacific Coast States."

The refuges were created by Executive order on lands under the primary jurisdiction of the Bureau of Reclamation. The Lower Klamath Refuge was established in 1908, and Tule Lake and Upper Klamath Refuges in 1928. The three comprise 91,619 acres, which, with the 6,891 acres that would be added by S. 1988, would dedicate 98,510 acres to permanent waterfowl-agricultural use.

Experts estimate that about 80 percent of the ducks and geese of the Pacific flyway use the refuges during the fall migrations. Many thousands of young ducks also are reared there each year. The pattern of farming in the refuges provides the birds with reliable sources of food at a key time of the year, and slows their southward flights into the Central Valley of California until after most of the crops have been harvested, thereby holding crop depredations to a minimum.

The three refuges are some of the most important waterfowl grounds in North America. Conservationists share the view of Secretary Udall and Senator KUCHEL that congressional recognition, as sought by S. 1988, is the best means of preventing the dissipation of the refuges in future years.

The amendments proposed by Secretary Udall are said to "serve more clearly the Federal Government's contractual obligations to existing irrigation districts" * * * "permit present agricultural use while protecting waterfowl uses" * * * and prevent "future sale of homesteading of lands which would be dedicated to providing essential nesting,

feeding, and resting grounds for ducks and geese."

California's Fish and Game Commission has also taken a firm position in opposition to a U.S. Bureau of Reclamation proposal to remove approximately 14,000 acres from the present Tule Lake National Wildlife Refuge and place them in private ownership for agricultural purposes.

[From the Vallejo (Calif.) Times-Herald, Jan. 10, 1962]

THE SPORTSMAN'S CORNER

(By Rodan Gunn)

An important piece of legislation for western duck hunters is ready to come up in Congress, and it may very well have a good chance of passage.

The bill is Senate bill 1988, introduced by Senator THOMAS H. KUCHEL, of California, and recently supported by the California Wildlife Federation.

As it now stands, with a few amendments, it also has the support of the Kennedy administration.

Recently, Interior Secretary Stewart L. Udall passed along to the Congress some suggestions on the proposed legislation, which would safeguard the vital Klamath-Tule Lake wildlife area near the California-Oregon line.

And Udall said that if the lawmakers agree to his suggestions, the legislation will be a "significant conservation achievement" and "solve a problem that has been under discussion for more than 20 years."

It's pretty well known that the Klamath-Tule Lake area is a feeding area for nearly all the waterfowl that wing down the Pacific flyway. Most experts agree that without this area, there would either be no flyway or the number of ducks would be severely cut.

What were Udall's suggestions?

According to the Interior Department they were designed to "more clearly recognize the Federal Government's present contractual obligations to the Tule Lake Irrigation District in California and the Klamath Drainage District in Oregon."

"The legislation is designed to permit present agricultural use while simultaneously protecting waterfowl use in three refuges," said the Federal agency.

"The legislation as advocated by Secretary Udall, prevents future sale or homesteading of lands which would be dedicated to provide essential nesting, feeding, and resting grounds for ducks and geese on the Pacific flyway."

The Federal Government agrees that the area is important.

"Waterfowl experts of the Department [of Interior] estimate the marshland is used by 80 percent of ducks and geese on the Pacific flyway during the fall migration," said the Federal agency.

"The area is generally regarded as one of the most important waterfowl grounds on the North American Continent."

What's the situation in the area and how did it come about?

The refuges were created by Executive order upon lands under the primary jurisdiction of the Bureau of Reclamation. By terms of an agreement, the lands designated as refuges are managed by the Fish and Wildlife Service.

But much of the remaining publicly owned project land—that not designated as a refuge—is leased to private individuals for farming.

And this works well, too. The harvested fields provide waste grain and stubble heavily utilized by ducks and geese.

There has been talk of turning more of the land over to private interests—and that's the problem the Kuchel bill reaches.

Under terms of the proposed legislation, the leasing would be continued and all public land within the boundaries of the refuges

would be administered for the major purpose of waterfowl management—but with full consideration for the optimum agricultural use that is consistent with waterfowl conservation.

Some of the areas would be developed as waterfowl habitat or to augment public shooting grounds. Additional tracts—including the Klamath Straits unit, Sheepy West, Sheepy East, and Miller Lake tract—would be developed intensively for waterfowl use. They are all within the lower Klamath refuge.

There is a provision in the bill for turning over to county governments a percentage of the funds received from leasing agricultural lands. There also are provisions to assure carrying out the Government's contractual obligations with the Tule Lake and Klamath Water Districts—and the right of the Secretary of Interior to continue the policy and practice of leasing land for agricultural uses is clarified.

[From the San Francisco Examiner,
Feb. 18, 1962]

THE TULE SANCTUARY

Senator THOMAS KUCHEL's bill to keep the teeming Tule Lake and lower Klamath waterfowl sanctuaries undisturbed should pass. These colorful wildlife refuges are irreplaceable. There would be an ominous finality in their extinction.

The hazards confronting the sanctuaries are of major stature. Impending programs of reclamation and homesteading are not mere matters of turning the birds out and letting the farmers in. Basically, they would constitute the serving of small interests of a very few at the expense of the essential interests of future generations.

The Kuchel bill, by preserving the refuges, will be on the side not just of history and nature but of endless time. These were wildlife sanctuaries long before man made them so. They have served their primitive purpose since the beginning of time. Seven million waterfowl have been counted there at one time. The Nation has few comparable sanctuaries, none better.

The Tule refuges hold the birds until late autumn. If they went foraging earlier, the crop devastation in the San Joaquin and Sacramento Valleys would be many times greater than the value of new crops in the reclaimed refuges. So not all farmers want the sanctuaries converted. Few would, if all knew the full implications.

Governor Brown, Interior Secretary Udall, Senator Clair Engle, among many others support the Kuchel bill. Sportsmen and conservationists are evangelical about it. We hope they prevail.

[From the San Francisco (Calif.) Examiner,
July 23, 1961]

SPORTS AFIELD—AID NEEDED ON WATERFOWL BILL

(By J. P. Cuenin)

Everybody interested in the preservation of the ducks and geese of the Pacific flyway should take an active part in helping to pass Senate bill 1988, introduced by Senator THOMAS H. KUCHEL, of California.

The bill, if passed, will preserve intact the necessary existing habitat for migratory waterfowl in the Upper and Lower Klamath Lakes National Wildlife Refuges and the Tule Lake National Wildlife Refuge.

Those three Federal waterfowl refuges in northeastern California and southern Oregon are the main stopping places for waterfowl coming south from their nesting grounds to their wintering grounds in California.

CROPS RUINED

At times each fall there are from 4 to 7 million ducks and geese on these refuges.

If these sanctuaries are reduced in size, it is possible that many of the waterfowl would stop there for only a few days, then pour into the Sacramento and San Joaquin Valleys before the main part of the rice crop is harvested and thus cause a loss of millions of dollars to the ricegrowers. The owners of cattle and sheep would also have a considerable loss because of the destruction of their irrigated pastures by waterfowl.

COMBINED REFUGES

As a protection from the early flight of ducks from Alaska, which begin arriving in August, we have in the Sacramento and San Joaquin Valleys more than 40,000 acres which are maintained on five State and four Federal properties as combined refuges and waterfowl management areas.

Rice, barley, and other duck foods are planted on these refuges to attract and hold the birds until the rice and other crops are harvested, but they can afford crop protection only for the numbers of waterfowl that reach here on the first flight.

In addition to preventing taking more land for farming from those vital waterfowl refuges, the Senator's bill will prevent lowering the water levels to a point which can and often does permit the water to reach a temperature that will bring up from the muddy bottom the botulism bugs which have killed hundreds of waterfowl on the refuges.

INFECTION SPREADS

Botulism not only kills large numbers of waterfowl on these refuges but permits the spreading of this fatal infection to bodies of water at considerable distances from the Klamath Lakes and Tule Lake.

If migrating ducks coming down from the nesting grounds stop in those refuges for a drink and a rest, then rise to head south, they can reach the Sacramento Valley refuges and hunting waters and infect them before the disease stops their flight. From that beginning all of the waterfowl waters down to the lower end of the San Joaquin Valley could quickly become contaminated.

NEED ALL CLUBS

Senator KUCHEL's bill has been indorsed by the following organizations:

Fish and game commission, Associated Sportsmen of California, National Wildlife Federation, California Wildlife Federation, California Farm Bureau, California Agricultural Council, Joint Wildlife Management Committee of Farmers and Sportsmen, and the California Duck Hunters Association.

If this bill is to pass it is not enough to have those fine endorsements. It is necessary that the members of all sportsmen's clubs should contact their Congressmen and ask that they work for its passage.

Each club should appoint a committee composed of duck hunters and farmers, both of whom are, or should be, vitally interested in the passage of this bill.

Each club could adopt a resolution favoring the bill, make copies of it and have the constituents of the Congressman sign it, then deliver it to him, or send it to him in Washington if he is not at home.

[From the Santa Monica (Calif.) Evening Outlook, June 8, 1961]

ROD AND GUN

(By J. Charles Davis)

Permanent reservation of nearly 100,000 acres of land, marsh, and water constituting a vital habitat for migratory game birds on the Pacific flyway would be assured under the terms of a bill just introduced in Congress by Senator THOMAS H. KUCHEL, of California.

Threatened nibbling away of lands in three wildlife refuges prompted KUCHEL to introduce legislation withdrawing from possible

homesteading 91,619 acres in the upper Klamath, lower Klamath, and Tule Lake areas and extending protection to 6,891 more acres of adjacent land in northern California and southern Oregon. This bill was referred to the Senate Interior Committee, of which KUCHEL is a member.

With the backing of the U.S. Interior Department and numerous conservation and sportsman groups, KUCHEL asked Congress to declare a definite policy that ownership of public lands in the refuges must be stabilized in order to safeguard the most vital single area of the Pacific flyway. He also pointed out that adequate resting, nesting, and feeding places for migratory birds are essential to prevent depredations against grain and other agricultural crops.

LONG HISTORY

Pointing to the importance of the Klamath-Tule reservation, the California Senator said experts estimate 80 percent of all waterfowl traveling the Pacific flyway pass through the area, and concentrations of birds are estimated to reach peaks of 7,500,000.

Since the refuges were created by Executive orders in 1908 and 1911, reclamation of land for farming, much of it under lease from the Federal Government, and settlement by homesteaders have shrunk the extent of the original reservations, KUCHEL told the Senate. Constant encroachments have undermined the ability of the refuge to support the huge flocks and have resulted in increasingly frequent raids on growing crops.

No farmers will be driven out of the area, but if Congress enacts the bill a barrier will be provided against "windfall" homesteading. Lease-agriculture operations and substantial income derived from hunters will have more economic benefits than any other arrangement involving landownership in the area, it was stated.

OTHER SECTIONS

Besides land presently included in upper Klamath, lower Klamath, and Tule Lake refuges, KUCHEL's bill will prevent further homesteading on 1,440 acres in Klamath County, Ore.; 13 tracts in Siskiyou County and 1 tract in Modoc County, Calif.; and White Lake in California and Oregon.

As our population increases more and more land is being converted to homes, industrial, and farming uses. We have frequently pointed out that our woods, waters, fish, and game are being driven farther and farther back and that unless a stop is put to destruction of lands and water their survival is endangered.

With all our fight to preserve a free world it would seem that we should make sure that we have a world worth preserving, not a concrete jungle.

It does not make much sense to this reporter to fight for a 4-day week and then not have any place to enjoy our holidays.

[From the San Francisco (Calif.) Chronicle, June 11, 1961]

TULE BILL NEEDED

(By Bud Boyd)

Because my great-grandfather crossed the Sierra before the gold rush, our family is rich in stories of that time. And one of the most outstanding was when great-grandfather went to Tule Lake.

"That was Indian country then," he said. We could picture the lurking Modocs. He traveled down the tawny flanks of the Warner Range to ride his buckskin horse into the valley. It was a crisp October day—the moon of gathering waterfowl—and V-shaped lines of ducks and geese swarmed through the air. Tan tules stretched as far as the eye could reach, and when he rode

into the marsh where waterfowl were talking, there was an instant hush.

Then suddenly the air was filled with sound. Geese by the uncountable thousands rose into the sky with a querulous honking noise, and the roar of their beating wings was like waves breaking on the shore. A million mallards rose in quacking protest at this intrusion.

To great-grandfather this was one more wonderful thing to find in this new and lovely land. Where men of greater foresight saw the sun-cured grass as cattle feed, and the reclaimed marsh as grain and potato fields, he only saw the wonderful free flying waterfowl.

But in the meantime, this fabulous rendezvous for birds which migrate in from Canada, became a place which men of commerce wanted. Men hacked away the tules and drained the marsh, and a sharp-eyed Federal Government saw this potential threat to one of the world's greatest waterfowl concentration areas, and so they created the Klamath and Tule Lake refuge, as a place to be secure from man.

This was accomplished by Executive order in 1908, but since that time a certain amount of land reclaiming has continued. Rich land has been put to the plow in many cases, and much of the marsh has vanished. Even today a few men still would like to use it all for agriculture.

Although the Federal Government has maintained ownership, and has only leased the agricultural rights, there is a continuing cry for more homesteading. So in an effort to completely safeguard this vital waterfowl habitat, U.S. Senator THOMAS H. KUCHEL has introduced a bill which would assure protection of the area.

With the backing of the U.S. Interior Department and numerous conservation and sportsman groups, KUCHEL took the step to ask Congress to declare a definite policy that ownership of public lands in the refuges must be "stabilized" in order to safeguard "the most vital single area of the Pacific flyway."

KUCHEL's bill would withdraw from possible homesteading 91,619 acres in the upper Klamath, lower Klamath, and Tule Lake areas. It would also extend protection to 6,891 acres of adjacent land in northern California and southern Oregon. The bill has been referred to the Senate Interior Committee, of which KUCHEL is a member.

Pointing to the importance of the Klamath-Tule reservation, the California Senator said, "experts estimate 80 percent of all waterfowl traveling the Pacific flyway pass through the area and the concentration of birds is estimated to reach peaks of 7,500,000." He adds: "Constant encroachments have undermined the ability of the refuge to support the huge flocks and have resulted in increasingly frequent raids of growing crops."

In an effort to show fairness, the Senator pledged that "No farmers will be driven out of the area." But if Congress enacts the bill a barrier will be provided against windfall homesteading.

This certainly seems like a sensible effort on the part of Senator KUCHEL, and would promise to eliminate senseless water level and landownership bickering, as occurred last year.

After all, how does one measure the worth of a resting spot for waterfowl which have winged there through the untold centuries? How does one evaluate the sight and the glorious sound? How do you put a price on something that great-grandfather saw in 1848—and still is a place where I can take my son to hunt today?

We went goose hunting last year, you know, and as we walked across the frozen ground at morning, the geese were milling

like a windblown sheet across the distant stubble. The clamor sounded like a speeding freight train, and my age-8 son said softly, "Gee, Dad. I didn't know there were this many birds in all the world."

I pray we keep it that way.

[From the Los Angeles (Calif.) Mirror, June 9, 1961]

PLAN LAUNCHED TO SAVE TULE LAKE DUCK REFUGE

(By Lupi Saldana)

A bill to permanently insure that the 100,000-acre Federal waterfowl refuge at Tule Lake, considered the most important waterfowl refuge in the Pacific flyway, remain intact today has been formally introduced in Congress by Senator THOMAS H. KUCHEL.

The measure introduced by California's senior Senator has the backing of the Interior Department, State fish and game officials, and sportsmen's groups.

Actually, the Tule Lake-Klamath waterfowl area is the key to waterfowling in California, because it hosts about 80 percent of all waterfowl winging down the Pacific flyway. It is estimated that concentrations of birds in the area hit peaks of 7,500,000.

The refuge is also vital from the standpoint of recreation, because it provides lots of hunting opportunities for unattached California and Oregon shotguns. And in addition to the waterfowl sport, the area also provides some pretty fair pheasant hunting.

In the past years homesteading has been threatening the existence of the refuge. As a result, sportsmen and fish and game officials have been concerned that this great waterfowl sanctuary might be on its way out.

In his bill, KUCHEL has asked Congress to assure the future of the refuge by stabilizing the ownership of public lands in the refuge in order to "safeguard the most vital single area of the Pacific flyway."

The Senator also pointed out that adequate resting, nesting, and feeding places for migratory birds are essential to prevent depredations on grains and other agricultural crops. So in effect, the refuge serves many purposes.

Since the refuges were created in 1908 and 1911, reclamation of land for farming and settlement by homesteaders has shrunk the extent of the original reservations.

The Senator pledged that no farmers will be driven out of the area, added that the lease-agriculture operations and the substantial income derived from hunters will have more economic benefits than any other arrangement involving landownership in the area.

At any rate, sportsmen should throw their entire weight behind KUCHEL's measure.

[From the Sacramento (Calif.) Union, June 8, 1961]

PROTECTION FOR DUCK HUNTERS¹

(By Bob Rudy)

Duck hunters may get some needed protection. Permanent reservation of nearly 100,000 acres of land, marsh, and water constituting a vital habitat for migratory game birds on the Pacific Flyway would be assured under the terms of a bill just introduced in Congress by U.S. Senator THOMAS H. KUCHEL, of California.

Threatened nibbling away of the lands in the three existing wildlife refuges prompted the Senator to introduce this legislation withdrawing from possible homesteading 91,619 acres in the upper Klamath, lower Klamath, and Tule Lake areas and extending

protection to 6,891 more acres of adjacent land in northern California and southern Oregon. The bill has been referred to the Senate Interior Committee, of which KUCHEL is a member.

This area hosts 80 percent of California waterfowl every year. Peaks reach over 7,500,000 ducks and geese.

[From the Los Angeles (Calif.) Mirror, June 12, 1961]

KEEP TULE LAKE FOR THE BIRDS

A bill introduced in Washington by Senator TOM KUCHEL to preserve the Tule Lake Waterfowl Refuge deserves the support of all the public, as well as sportsmen.

The 100,000-acre area is a stopover point for millions of birds in migration—about 80 percent of all birds which travel the Pacific Flyway.

The size of the lowland watering area, mainly in Siskiyou County, has diminished over the years because of homesteading for farms.

KUCHEL's bill would stop this and retain what is left, which is still a considerable area of natural beauty.

The necessity of providing natural nesting and feeding grounds for birds is a real problem to farmers who are invaded by the flocks.

In the north, depredations by game birds are a serious matter.

The Kuchel bill would help in that problem and also serve sportsmen and nature lovers by protecting our waterfowl from extinction.

[From the Los Angeles Examiner, June 7, 1961]

TULE LAKE BILL GIVEN CONGRESS

U.S. Senator TOM KUCHEL has introduced in the Congress a bill urged by California and Oregon sportsmen's groups to preserve 100,000 acres of land, marsh, and water on the Pacific Flyway against encroachment of homesteaders.

KUCHEL's bill is aimed at protecting habitat for migratory game birds that yearly make use of the flyway.

It would withdraw from possible homesteading 91,619 acres in the Tule Lake, Lower Klamath, and Upper Klamath refuge areas. At the same time, it would extend protection to 6,891 more acres of adjacent land in northern California and southern Oregon.

These areas include 1,440 acres in Klamath County, Ore., 13 tracts in Siskiyou County, 1 tract in Modoc County and White Lake in California and Oregon.

KUCHEL's bill has been referred to the Senate Interior Committee of which the California Senator is a member.

His proposal has the backing of the U.S. Interior Department and numerous conservation and sportsmen groups in this State and in Oregon.

It asks that Congress declare a definite policy that ownership of public lands in the refuges must be stabilized in order to safeguard the "most vital single area of the Pacific Flyway."

The measure also points out that adequate resting, nesting, and feeding places of ducks and geese are essential to prevent depredations on grains and other agricultural crops.

KUCHEL emphasized the importance of the Klamath-Tule Lake refuge by pointing out that experts estimate 80 percent of all waterfowl traveling the Pacific Flyway pass through this area and that the concentration of migratory flocks reaches an estimated peak of 7,500,000 each year.

HOMESTEADERS MOVE IN

The refuges were created by Executive orders in 1908 and 1911. Since then, reclamation of land for farming, much of it

¹ Title supplied by printer.

under lease from the Federal Government, and settlement by homesteaders, has shrunk the extent of the original reservations.

Constant encroachments, KUCHEL told the Senate, have undermined the ability of the refuge to support huge flocks and have resulted in increasingly frequent raids on growing crops.

The California Senator pledged no farmers will be driven out of the area, but said the bill will provide a barrier against future "windfall" homesteading.

He commented that lease-agriculture operations and the substantial income derived from hunters will have more economic benefits than any other arrangement involving landownership in the area.

This bill has the full approval of the California Department of Fish and Game, which had a hand in drafting the basic policy. Walt Shannon, DFG director, and Jim Smith, the State fish and game commission president from Los Angeles, took up this matter specifically on a March 9 trip to Washington.

They met with Under Secretary of the Interior James Carr and Assistant Secretary of the Interior for Fish and Wildlife Frank Briggs and urged that the Tule Lake and Klamath refuges be placed permanently in the jurisdiction of the U.S. Fish and Wildlife Service.

Protection of ducks and geese at Tule Lake and Klamath means not only good hunting for those who make the long trip north but assures longer seasons and better bags for sportsmen the length of California.

Hunters from here can well remember the big water battle that took place in the fall of 1959 with the U.S. Fish and Wildlife Service, U.S. Bureau of Reclamation, the Tule Lake Irrigation District all involved. It took an order and court threat from the Secretary of Interior to finally bring the marsh water level back to stipulated elevations for the benefit of waterfowl nesting in the spring and shooting in the fall.

[From the Napa (Calif.) Register,
June 12, 1961]

PACIFIC FLYWAY

Permanent reservation of nearly 100,000 acres of land, marsh, and water constituting a vital habitat for migratory game birds and the Pacific flyway would be assured under terms of a bill introduced in Congress by U.S. Senator THOMAS H. KUCHEL, of California.

Threatened nibbling away of lands in three wildlife refuges prompted the senior California Senator to introduce legislation withdrawing from possible homesteading 91,619 acres in the Upper Klamath. Lower Klamath, and Tule Lake areas and extending protection to 6,891 more acres of adjacent land in northern California, and southern Oregon. The bill was referred to the Senate Interior Committee, of which KUCHEL is a member.

With the backing of the U.S. Interior Department and numerous conservation and sportsman groups, KUCHEL took the step of asking Congress to declare a definite policy that ownership of public lands in the refuges must be stabilized in order to safeguard the most vital single area of the Pacific flyway. He also pointed out that adequate resting, nesting, and feeding places for migratory birds are essential to prevent depredations on grains and other agricultural crops.

Pointing to the importance of the Klamath-Tule Reservation, the California Senator said experts estimate 80 percent of all waterfowl traveling the Pacific flyway pass through the area and concentrations of birds are estimated to reach peaks of 7,500,000.

Since the refuges were created by Executive orders in 1908 and 1911, reclamation of land for farming, much of it under lease

from the Federal Government, and settlement by homesteaders has shrunk the extent of the original reservation, KUCHEL told the Senate. Constant encroachments have undermined the ability of the refuge to support the huge flocks and have resulted in increasingly frequent raids on growing crops, he added.

No farmers will be driven out of the area, the Senator pledged but if Congress enacts the bill a barrier will be provided against windfall homesteading. He commented that lease-agriculture operations and the substantial income derived from hunters will have more economic benefits than any other arrangement involving landownership in the area.

Besides land presently included in the upper Klamath, lower Klamath, and Tule Lake refuges, KUCHEL's bill will prevent further homesteading on 1,440 acres in Klamath County, Ore.; 13 tracts in Siskiyou County, and 1 tract in Modoc County, Calif.; and White Lake in California and Oregon.

WILDLIFE SANCTUARY BILL INTRODUCED

(By Walt Radke)

In a move to permanently reserve nearly 100,000 acres of land, marsh, and water along the Oregon-California border for migratory game birds, U.S. Senator THOMAS H. KUCHEL this week introduced a bill in Congress to have the areas named inviolate wildlife sanctuaries.

Under the provisions of the bill 91,619 acres in the upper Klamath, lower Klamath and Tule Lake areas would be withdrawn from possible homesteading.

Protection also would be accorded 6,891 more acres of adjoining land in northern California and southern Oregon. The measure has been referred to the Senate Interior Committee of which KUCHEL is a member.

With the backing of the U.S. Interior Department, the California Fish and Game Department and Commission and organized sportsmen throughout the State, KUCHEL took the step of asking Congress to declare a definite policy of ownership in the key refuge area.

At the present time the refuges exist only by Executive orders issued in 1908 and 1911, with the Bureau of Land Management, Bureau of Reclamation and the U.S. Fish and Wildlife Service having confused and overlapping authorities and purposes.

Sporadic land withdrawals for homesteading have nibbled away at the refuges through the years. KUCHEL calls the Tule-Klamath region the most vital single area of the Pacific flyway.

He also points out that adequate resting, nesting, and feeding places for migratory birds are essential to prevent depredations on grains and other agricultural crops throughout the lush central valley.

Experts estimate 80 percent of all ducks and geese traveling the Pacific flyway use the Klamath-Tule Reservation facilities. At times, as many as 7,500,000 migrating birds are in residence.

Since the refuges were set up a half century ago, reclamation of land for farming, much of it under lease from the Federal Government, and settlement by homesteaders, has shrunk the extent of the original reservations considerably. In the Tule area, there have been two withdrawals since World War II.

These constant encroachments have undermined the ability of the refuges to support the huge flocks and resulted in increasingly frequent raids on growing crops.

No farmers will be driven out of the area, according to KUCHEL. But if Congress enacts the bill, a barrier will be provided against further agricultural encroachments.

He contends further that lease agriculture operations and the substantial income

derived from hunters will have greater economic benefits than any other arrangement involving land ownership in the area.

Besides lands presently included in the upper Klamath, lower Klamath, and Tule Lake region, the Kuchel bill will prevent further homesteading on 1,440 acres in Klamath County, Ore.; 13 tracts in Siskiyou County, 1 tract in Modoc County, and White Lake in California and Oregon.

Mr. KUCHEL. Mr. President, in addition, I ask unanimous consent that a letter by the county court of Polk County, Ore., which is typical of hundreds I have received from public and private groups in my own State of California and other States, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COUNTY COURT OF POLK COUNTY,
Dallas, Ore., April 23, 1962.

COMMITTEE ON INTERIOR AND INSULAR

AFFAIRS,
Senate Office Building,
Washington, D.C.

DEAR MEMBER: I am writing you in regard to S. 1988 that was introduced by Senator THOMAS H. KUCHEL. We in Oregon feel very deeply about this bill and feel that it should be passed, in the interest of all lovers of wildlife. Throughout our Nation we have been far too negligent in preserving our natural wildlife breeding places. Tule Lake, in southern Oregon, is one of the outstanding duck refuges in the United States. Cutting this piece of land up in homestead sites would almost eliminate the best duck hatching grounds in the Pacific Northwest.

The tourist trade in our State is the third largest industry we have and, of course, the abundance of wildlife is a stimulus to encourage our tourist traffic to this State.

The Polk County court wishes to express their desire to have S. 1988 enacted and become law.

I am greatly surprised that, as we are a State with an abundance of wildlife, we do not have a Representative on the important committee.

We will be happy to furnish any information you may need.

Yours very truly,

C. M. BARNHART,
Polk County Judge.

The ACTING PRESIDENT pro tempore. The first committee amendment will be stated.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments, en bloc, are agreed to.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1988) was ordered to be engrossed for a third reading, and was read the third time.

Mr. KUCHEL. Mr. President, I desire to express my thanks to the distinguished junior Senator from Oregon [Mrs. NEUBERGER], and also to the able senior Senator from Oregon [Mr. MORSE], who I observe has come into the Chamber, and also to the representatives of their offices, with whom I have discussed the bill during the last several months. I believe we may all join in

the feeling that this is a bill which is in the interest of the American people.

Mr. MORSE. Mr. President, the Senator from California [Mr. KUCHEL] and my colleague from Oregon [Mrs. NEUBERGER] have discussed the bill. The same objections were raised in my office as were raised in the office of Senator NEUBERGER.

I ask unanimous consent to have printed at this point in the RECORD recent communications I have received in respect to the objections.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

YREKA, CALIF., May 15, 1962.

Senator WAYNE MORSE,
Washington, D.C.:

The Northern California County Supervisors Association strongly opposes passage of S. 1988 in present form. Bill fails to protect either wildlife or agricultural resources, as well as falling short on in lieu tax provision. This problem deserves further serious study.

RALPH HOLLINGER,
President.

THE KLAMATH SPORTSMEN'S
ASSOCIATION, INC.,

Klamath Falls, Ore., May 10, 1962.

Re S. 1988.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: In appealing to you, we will confine our remarks to the effect of S. 1988 on Oregon.

S. 1988 was introduced by an out-of-stater, without consultation of local interests, and provides in lieu of tax payments for all lands in California but does not include Upper Klamath Lake lands in Oregon.

It stipulates \$180,000 as full payment to Klamath Drainage District. This figure is an arbitrated amount which is contingent upon these public lands within the district going into private ownership by sale or exchange as contemplated when the district purchased the water right for the public lands within the district from the Government in 1921. Actual indemnity would be closer to \$300,000 should this land remain in Federal ownership.

Klamath Drainage District would not have purchased the water right on the Klamath Straits and Miller Lake public lands or furnished them with water had they not been assured they would go into private ownership and become a part of the district.

Acknowledged indebtedness of the Government should be paid out of accumulated lease revenues in excess of \$1 million which the Government has obtained. No part of the reclamation costs of this project have been charged to wildlife, flood control, recreation, or power development. All costs have been paid in full by the district. Certainly the district should not continue to be a creditor of the Government.

Section 6 of the basin amendments, page 81, authorizes sale or exchange of the Klamath Straits for the Upper Klamath Lake Marsh. This is the largest remaining marsh in the basin and contains 9,771 acres of private land, which is in danger of being reclaimed. The F. & W.S. in their 1956 report and on page 43 of the hearing state the private marsh area is needed to form a more operable unit and that the marsh is particularly adapted to diving ducks presently protected from gunning due to short supply (redheads, canvasbacks).

F. & W.S., under our amendment 6, will receive the more effective habitat marsh area which exceeds the straits unit by ap-

proximately 3,400 acres while retaining hunting rights on the straits unit in perpetuity.

Basin interests are not happy to see more lands off the tax rolls, but this appears the only manner in which to block out the various areas into operable and economic units, both Federal and private.

The Johnson amendments resolve nothing in Oregon.

If you are unable to amend the bill to include section 6 of the basin amendments, we urge all reference to the State of Oregon be deleted from the bill.

C. L. LANGSLET.

Mr. MORSE. Mr. President, in essence, some of the persons concerned with irrigation problems in this area were fearful that the bill would not provide for their legitimate interests. But, as the junior Senator from Oregon [Mrs. NEUBERGER] has said, language was added to the bill which provides the protection which we sought for them. That is why we discussed the question with the Senator from California and other Senators.

The record should show that conservation groups made a thorough study of the import of the bill. They pointed out in a series of letters and other communications the importance of the bill not only for the conservation purposes already referred to by the Senator from California [Mr. KUCHEL], but also the importance of this type of legislation in all parts of our country with respect to the development of recreational resources. This is very important in my State, as I have been heard to say before. I believe it will be a matter of only a few years before recreation will be the primary source of revenue in my State. But it will not be possible to provide the recreation facilities unless people go to Oregon; nor will the citizens of my State be able to enjoy recreational advantages unless the natural resources which are so essential to providing recreational facilities are protected.

So after taking into account the communications we have received and the sound conservation objectives of the bill, I am willing to join in recommending its passage.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1988) was passed.

The title was amended, so as to read: "A bill to promote the conservation of the Nation's wildlife resources on the Pacific Flyway in the Tule Lake, Lower Klamath, and Upper Klamath National Wildlife Refuges in Oregon and California."

Mr. KUCHEL. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SALUTE TO THE AUTOMOTIVE SAFETY FOUNDATION

Mr. KUCHEL. Mr. President, as the most highly motorized State in the Union, California has a major interest in safe and efficient highway transportation.

More traffic creates the need for improved highways and also aggravates the accident problem. Vehicle registrations in California since the end of the Second World War have climbed from slightly more than 3 million to well over 8 million. In their efforts to keep pace with the growth in vehicles and travel mileage in California in recent years, our State and our cities have been extremely fortunate to have had available to them the technical assistance of the Automotive Safety Foundation.

This seldom publicized, nonprofit research and educational organization is headquartered here in Washington, D.C. As it marks its silver anniversary of service in the public interest this year, it seems appropriate for me to take note of its accomplishments.

The foundation was established in 1937 under the leadership of four men whose names are well known in the United States: Walter P. Chrysler, Paul G. Hoffman, Alvan Macauley, and Alfred P. Sloan, Jr.

In establishing a privately supported organization to work in the field of highway safety, these leaders in the automobile manufacturing industry recognized several things: first, that primary responsibility for the safety and efficiency of highway transportation rests with duly constituted public officials; second, that to succeed in their various activities, public officials need public understanding of the issues that confront them and public support for the various programs they are seeking to carry out; and third, that a new organization should neither duplicate nor preempt the work of others but rather seek out new areas of need and pioneer cooperative programs to meet them.

Operating under these policies, the Automotive Safety Foundation works largely through other organizations and provides direct technical assistance only when requested by appropriate public officials and only in areas where other organizations are not prepared to provide the needed service.

Today the Automotive Safety Foundation is supported by more than 600 individual companies and industry associations representing automobile manufacturers, petroleum and asphalt, parts and accessories, rubber tire, advertising agencies and media, steel, automobile finance, portland cement, major banks, automobile and tire dealers, insurance, and schoolbus manufacturers. Since 1937, these industries have pooled \$24,800,000 to advance the work of the foundation in support of safer and more efficient highway transportation.

At a time when this Nation is losing about 38,000 of its citizens a year in traffic accidents, injuring 1.5 million more, and sustaining economic losses of more than \$6 billion annually, we can scarcely be complacent. On the other hand we need to look at some of the gains we have made.

Before the Automotive Safety Foundation was established, there was no organized national traffic safety movement. Very few States and very few communities were active in this kind of work.

Today as a result of ASF leadership, we have an action program for traffic safety which was developed at the President's Highway Safety Conference called by President Truman in 1946. This program now has the support of all major national safety organizations and the sponsorship of the President's Committee for Traffic Safety, established by President Eisenhower in 1954 and continued by President Kennedy.

In 1936, traffic accidents were claiming lives at the rate of 15.1 for every 100 million vehicle-miles of travel. By the close of 1961 that mileage death rate had been knocked down to 5.2. What this means is that, on a mile-for-mile basis, highway travel is almost three times as safe as it was 25 years ago.

It has been estimated that this reduction in the mileage death rate, brought about by organized traffic safety efforts during the past quarter century, has saved 825,000 lives, prevented 30 million disabling injuries and prevented economic losses of \$100 billion. These are the losses in lives and limbs and dollars that we would have been sustained had the mileage death rate continued at the 1937 level all these years that traffic volumes were growing by leaps and bounds.

Traffic safety involves work on many fronts and for this reason the Automotive Safety Foundation has always sought to advance a balanced program. For example, it has made annual grants of funds for the training of traffic police officers and for upgrading traffic police administration. It has made similar grants for the training of traffic engineers, training of motor fleet supervisors, for the advancement of high school driver education through the public schools, for upgrading the administration of traffic courts, for the training of highway engineers and traffic safety specialists.

As part of its balanced program the foundation has worked actively to assist States in orderly highway development. It has been demonstrated time and again that better roads not only ease congestion but reduce accidents.

It was in California, right after the close of the Second World War, that the Automotive Safety Foundation made a pioneering study that marked a milestone in the history of highway development in this country. Engineers of this organization made a study of California's entire road and street system and projected a program of needed improvements based on estimated future traffic growth. This study made it possible for our State to undertake long-range highway plans, based on engineering measurements of future needs. This and subsequent similar studies, made at the request of appropriate State officials, contributed importantly to sound highway development in California.

Other States took note of this work in California and asked the foundation for technical assistance of a similar nature. As a result of these requests, the foundation made a total of 36 highway studies for 27 States, many of them con-

cerned with measurement of highway needs in keeping with projected traffic growth and others concerned with improved highway management, proper classification of highways, and orderly programming of highway improvements.

The information brought to light through these foundation studies was of great assistance to the Congress in the formulation of the national highway modernization program on which we are now engaged.

Perhaps I should also mention that the foundation made a major study, at the request of the Senate Special Committee on Post-War Economic Policy and Planning that gave the Congress important information on transportation needs. This report was entitled "The Role of the Federal Government in Highway Development" and was published as a Senate document in 1944. Foundation engineers also have given the appropriate congressional committees expert testimony, based on the results of research, on the safety aspects of highway improvements.

The Automotive Safety Foundation likewise has been of help to cities in the improvement of traffic operations. As a result of a special study by this organization at the request of city officials, Los Angeles effected a major reorganization of traffic management which put this work on a more efficient basis to the benefit of the highway-using public. A companion study produced similar results in San Francisco.

Using the study techniques developed are made available by the foundation, other cities have been able to reorganize traffic management in the interest of greater efficiency.

At the present time, the Automotive Safety Foundation is assisting the Los Angeles metropolitan region in an area-wide transportation study which is perhaps the most comprehensive one of its kind ever undertaken in this country. The study covers all forms of transportation and the findings will provide the basis for orderly long-range planning.

The continuing growth of highway transportation brings with it a need for ever greater efficiency on the part of many agencies of State government concerned with motor vehicle ownership and use, including such areas as driver licensing, traffic engineering, and traffic law enforcement both on the part of the courts and the police.

California has recognized the need to have work in these several areas keep pace with growing demand on the part of the motoring public. Accordingly, our State legislature has called on the Automotive Safety Foundation to direct a study of needs in these various areas of government. In substance this is an attempt to apply, in these fields of government, the principles of sound long-range planning that have been so useful in connection with highway development.

This new venture in California is a three stage study, of which only the first has been completed with the second now underway. It is the hope of the foundation's technicians that research and

analysis techniques can be perfected sufficiently in the course of this work so that the procedures can be made available to other States that want to use them.

It is this technique of the foundation—that of pioneering new methods and procedures for dealing with highway problems that all jurisdictions can apply if they wish—that has enabled so many agencies of government to take advantage of its work on a self-help basis. By making it possible for many to help themselves the foundation has generated results and benefits to the public that have a value far exceeding the organization's direct expenditures.

Last spring the Automotive Safety Foundation joined in the sponsorship of a national conference on driving simulation which was held in Santa Monica, Calif. The development of driving simulation devices and techniques holds great promise of making possible new types of research into such important areas as accident causes. It is gratifying to report that the University of California has been the leader in work on development of driving simulation.

Not only is the foundation supported by private business but it is managed by businessmen. Directing the foundation's policies and overall management is a board of trustees, headed by Mr. E. J. Thomas, chairman, the Goodyear Tire & Rubber Co. The board membership includes two Californians, Mr. P. L. Fahrney, vice president, Standard Oil Co. of California, and Mr. Maxwell C. King, president, Pacific Finance Corp. The fact that all of these businessmen, as well as their predecessors, have worked voluntarily and without compensation to advance this important work is in keeping with the best traditions of civic responsibility.

There is a time to look back and a time to look ahead. From what I know of the Automotive Safety Foundation and the men who direct it and staff it, I am confident that this organization will meet the challenges of the future with the same dedication and the same resourcefulness that it has applied during the past quarter century.

Highway transportation will continue to grow. The Bureau of Public Roads has reported to the Congress that by 1975 we can expect vehicle registrations to have reached 110 million—some 34 million more than now—and travel to have exceeded 1,170 billion vehicle miles compared with 733 billion last year. If we stop to consider that each added vehicle and each added mile of travel increases exposure to accidents, the dimensions of the job that we face in traffic safety comes into sharp focus.

This presents a major challenge to the public officials who have primary responsibility for the safety and efficiency of highway travel. Likewise it presents a continuing challenge to citizens whose support is needed. It also presents an opportunity for the business community which supports the Automotive Safety Foundation to continue the splendid record of public service it has made to date.

AMERICAN AID TO ISRAEL: A CHAIN REACTION

Mr. KUCHEL. Mr. President, I have just finished reading an excellent speech delivered by a distinguished Californian, Mr. Bruce W. McDaniel, of Redlands, Calif. Mr. McDaniel spoke on May 9, 1962, as the State of Israel celebrated its 14th anniversary, and in Washington the American-Israel Society sponsored a luncheon to mark the occasion.

Mr. McDaniel was the first Director of the U.S. Operations Mission to the new State of Israel in 1951. This outstanding Californian came to administer the program at a time when a new state in the world was overwhelmed by economic difficulties which arose primarily from the fact that it had just opened its doors and had given sanctuary to more than 600,000 refugees in the course of its first 3 years of existence.

American aid came to this new democracy at a critical period in her history. Since that time this new nation has forged steadily ahead; and she is now, as Mr. McDaniel has pointed out, offering her skill and experience to other members of the family of nations. Mr. McDaniel's statement that aid to Israel set off a chain reaction should be of interest to all of us; and I am pleased to ask unanimous consent that the text of his address be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AID TO ISRAEL: A CHAIN REACTION

(By Bruce W. McDaniel, of Redlands, Calif.)

The war in which we now are and for nearly two decades have been engaged has placed upon us, individually as Americans, and as a nation, the inescapable need to make new and venturesome decisions relative to the use of our manpower, our time, our national income, and the content and direction of our national policies.

As these turbulent, momentous years exposed the true nature, and revealed, in two hemispheres, the pyramiding tragic consequences of this conflict, it became increasingly apparent that business, pleasure, and politics as usual must give way to more realistic mobilization of our total resources; that it is imperative to measure the worth of our domestic and foreign policies against an overriding test, namely, their ability to maintain the security and assure the survival of the United States of America as part of the community of free nations.

Although neither individually nor as a nation have we yet made full use of these commandments for survival, conspicuous changes in the use of our skills and national product have occurred. One of the first began as the Lend-Lease Act in 1941, the prototype of later legislation which created the American foreign-aid program. This program has been damned and ridiculed, praised and supported with unflagging bipartisan vigor, at times with reckless abandon. Some argue that the free world has managed to endure due to the economic and social impact of the program; others contend that our efforts have created enemies, not friends, and that our programs not only have failed abroad but drained our gold reserves.

As usually is the case, both extremes have obscured the truth to the point where some foreigners believe that ugly Americans are a major Yankee export, and some Americans forget that of the \$90 billion utilized to date,

the greater part has been spent, here at home, with American agriculture and industry. As inept as we may have been on occasions, Americans need not apologize for what they have done. So far, no one seems to have done any better.

Today I would like to relate a refreshing, perhaps prophetic bit of history concerning our relations with a nation which not only has remembered its international good manners and said: "Thank you, America," but through its indomitable spirit has helped to prove that an American foreign aid program can work and can achieve its purposes.

It might, perchance, be more significant if this story were told about Laos or Vietnam, perhaps about Egypt or Afghanistan or Guatemala, but it did not happen there. What did happen, and why, and how, in the long run may prove to be more important and far reaching than where it happened.

This joint venture began in 1951, less than 3 years after creation of the Republic of Israel, at a most critical moment in the life of the young nation. Its food supplies were depleted by successive years of drought, its nearest available source of fuel was Venezuela, its budget was demoralized by short-term debts, and some 250,000 refugees were living in makeshift tents, with a stream of newcomers on the way. It would be hard to imagine a foreign aid program launched under less promising circumstances. In the land of great miracles, one modest well-placed miracle would have been appreciated.

Now, 11 years later, this bilateral alliance, by mutual agreement, is being phased out. The Republic of Israel has reached that degree of economic maturity which with available loans and development funds it believes will enable it to stand on its own feet and cope with the economic challenges of the coming decade. Despite unusual economic, political, and social handicaps the joint program has fulfilled its purposes from the viewpoint both of the host country and our Nation.

What this mutual effort has achieved in Israel is of significance, not alone to all Americans, but to people of all emerging nations; it proves that foreign aid operations, whether as loans and development funds, or as grants and technical cooperation, in the right environment, and when properly conceived and soundly planned, when honestly, courageously, and effectively administered, can accomplish its intended purposes. It shows that there is a workable formula for such international cooperation; and, when these essential ingredients are present, that such cooperation can be an effective means to carry out domestic and foreign policies both of the donor and the recipient.

It has a second, perhaps even more significant aspect. American aid to Israel has triggered a chain reaction in international cooperation. The Republic of Israel already is doing for others what the people of America did for Israelis. This is the very essence, the ultimate goal of all international assistance between free nations: the spontaneous spread of the united effort to do away with the causes of hunger, disease, illiteracy, fear, and serfdom.

Not only are Israeli technicians being called to other countries to assist in basic development projects, but delegations from many nations have been going to Israel to find out what happened there, and what made it happen.

The knowledge and encouragement these visitors take home will do far more than gold or tractors or wheat to convince their people that the destiny of free peoples is indivisible. It is not difficult to imagine the electrifying impact on the free world should this chain reaction which began in Israel spark a similar flame in Africa and Asia, and in Latin America.

Nor is it difficult to foresee the consequences if such flame is not lighted, particularly in the Western Hemisphere. There is a compelling, challenging magnificence in the concept of the Alliance for Progress. Its fulfillment will depend, not so much on loans or development funds, essential as they may be, but on the integrity of purpose and the ability of North and Latin Americans, working as one, to awaken that rare spirit within human beings which creates this magic catalyst. The destiny of millions, the security of the Western Hemisphere—both will be influenced by the outcome.

Foreign aid is a highly specialized, volatile and limited means of implementing foreign policy. By its very nature, it must involve a simultaneous and voluntary person-to-person relationship from top levels of government to the smallest villages. It demands a new type of diplomacy, a new type of personnel, dedicated zealous men and women with special skills, with the ability to know what it means to be blinded by trachoma, living on the thin edge of starvation; men and women with the ability to say "we," not "I," and mean it, and so to share the aspirations and understand the hopes and fears of those whom they would help. It must have people with courage to say "no," quietly, respectfully, and with patience, under pressure.

Experience has shown, by now, that such economic, political, and social entanglements, intimately interlacing the emotions and the destinies of nations, are not to be rushed into lightly, certainly not without meticulous joint preplanning covering each critical phase of the socioeconomic patterns of the host country. It also has demonstrated only too starkly, that a foreign aid program requires for its fulfillment certain imperative preconditions which must exist if there is to be the mutual confidence, the spirit and the will to carry through such a partnership.

The failure to insist on such plans and preconditions, to settle for less because of inexperience, or blackmail disguised as neutralism or as threats to seek help elsewhere, not only can discredit the total American foreign aid effort, and deliberately waste American resources, but be a disservice to those for whom the assistance is intended. Such ineptness is understandable but no longer tolerable.

What made it possible for the America-Israel alliance to reach its goals in little more than a decade? Among others, four preconditions were preeminent:

1. Prior to execution of the bilateral agreement, the Government of Israel gained the active support of its people. This it did by: (a) telling them that it intended to request American technical assistance and economic aid; (b) by outlining the general purposes for which this aid, if granted, would be used; (c) by assuring them that operations would be joint, i.e. a partnership in which both countries, as equals, would have a stake; and (d) by warning that the venture would require that Israelis meet, dollar for dollar, the costs of technical aid, which meant that they would have to tighten their belts even tighter.

With minor exceptions, and despite some 17 political parties, there has been close cooperation between Israelis and their government, and by both with their American counterparts. Without this unity, the program could not have been fully implemented, no matter how large the dollar component.

2. Prior to execution of the bilateral agreement, the Government of Israel, and other national leaders, convinced our Government that Israel could absorb and honestly desired to use American aid to build in the Middle East a viable democratic nation, a valid republic affiliated with the United

Nations and committed to the community of free nations.

Time and bitter experience have shown that this precondition is indispensable for the success of any American-aid program. It can be one of the most difficult to realize. In this respect, the Republic of Israel had an advantage: it was a new nation, not an old one wallowing in centuries of stagnation. It was not dominated by a small entrenched elite, a fossilized hierarchy, with its horde of bureaucrats, bent on perpetuating its status quo, which had to be converted, or eliminated, before any help could prove beneficial. Dollars poured in at the top seldom "trickle down" through such a barrier to effect needed reforms.

Those charged with administering American foreign aid frequently are faced with this dilemma: Which shall come first, aid to effect reforms, or reforms to make it possible for aid to work? This question demands not a prosaic choice, but a delicate complex judgment.

It is traditional American policy, as contrasted with infiltration and subversion, in recognizing the sovereignty of any nation to deal with its people through its government in power.

If such leaders are unwilling or unable to create conditions under which American assistance can gain its real objectives, then, except in those rare instances when the security of America may justify such a calculated risk, wisdom dictates against commitment of American resources to an alliance fraught with discord, bribery, bloody revolt, and almost certain diversion of American aid against itself.

3. Prior to execution of the bilateral agreement, the objectives for which the proposed assistance was to be used were charted with deliberate care. The guiding principles so laid down by mutual approval, in the beginning, have carried through to the end of the program and account for much of its progress. They provided coordinated action, made it possible, step by step, simultaneously to move forward in nine critical areas of Israel's economy, ranging from food production to national financial management. Important as were economic considerations, these plans were predicated on the assumption that Israel's greatest asset was its people, and that human aspirations are not measurable with a slide rule.

As a result, there was no need for crash programs in Israel. The Israelis understood the need to build from the bottom, soundly, and realized that they would have to eat less, work harder and wait until the newly planted citrus, olives and carob trees could bear, the dams and reservoirs could be built, and water developed for irrigation. And, by mutual assistance, there were strings on every project, specific plans to make certain that time, manpower and resources were used only for indispensable deliberated schemes which could be understood and completed. As a consequence, there were no half-finished schools, hospitals without equipment or factories without walls.

4. The Government of Israel, and its people, committed their total resources—moral, spiritual, and material—to the achievement of the ultimate goals envisaged by the alliance. This precondition is mandatory in any justified foreign aid program. No nation, actually interested in helping its people, should hesitate to dedicate its full strength to this end. There is no place in a binational aid program for "squirreling" public or private funds, or policies under which a few continue to live in luxury in the midst of misery, while people of other nations are asked to share their earnings.

This complete dedication by the Israelis left no place for discrimination. In the early years, when a shipload of wheat failed to

reach Haifa on schedule, everyone was without bread, the Prime Minister in Jerusalem as well as the shepherd grazing his flocks in the wadis of the Negev. From the highest levels of government, to the lowliest fisherman off Eln Gev on the Sea of Galilee, the men, women, and children of Israel, sharing the same hardships, enjoying the same exhilaration with each step forward, committed themselves to the task of building a new nation in which coming generations will live in full freedom.

In a world shaken by revolt, seeking change, Israel is spreading an idea, a highly revolutionary idea for most people on earth, the idea which can exert a most powerful influence around the globe, the same idea which sparked America's fight for freedom: government only by consent of the governed, and an enlightened economic and social development to preserve that freedom.

Today, on the occasion of the 14th anniversary of the Republic of Israel, we salute its people for their faith in fundamental human rights, in the dignity and worth of the human person, and for the spirit which has impelled them, so soon, to do for others what has been done for them.

Soon will end a phase of dramatic cooperation between one of the oldest and one of the youngest republics of our time: the United States of America and the Republic of Israel. The close of this phase of economic and humanitarian collaboration between these two republics but marks the beginning of a new concept in their continuing cooperation which progresses from technical assistance and economic aid to productive development loans and international credits. What has been done is there to be seen, a refreshing, perhaps prophetic bit of history in an open book for those who care, and those who dare to read its pages. The people of both nations justly may be proud of what they have built, working together, as free men.

There is much yet to be done. As with all free nations, the Republic of Israel and the United States of America must continue to share this mutual responsibility to help safeguard the security and assure the survival of the community of free nations.

AMENDMENT OF THE AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

Mr. HUMPHREY. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The pending business is House bill 10788; and the pending question is on agreeing to the Mundt amendment.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment in the nature of a substitute for the so-called Mundt amendment. The substitute is proposed by me, on behalf of myself and the distinguished senior Senator from Oregon [Mr. MORSE].

The amendment of the Senator from South Dakota [Mr. MUNDT] would, as we know, proscribe action on cotton unless certain nonrelated agreements were reached on beef, lamb, poultry, timber, and other products. Our substitute would treat each product on its own merits. It would direct similar action by the President. For this reason, I would vote to defeat the Mundt amend-

ment, and to substitute a more constructive approach. The Humphrey-Morse amendment will direct the President to limit exports from foreign countries on the commodities listed in the amendment when such imports seriously affect domestic producers.

In other words, the safeguards required for domestic producers are provided by statutory law; and we leave the judgment as to the protection of domestic producers to the discretion of the President, who has the responsibility, under the Trade Acts, to negotiate agreements which are reciprocal and which protect and defend the economic and the political interests of the United States.

Mr. President, I send to the desk the amendment in the nature of a substitute, and ask that it be printed.

The ACTING PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table; and at this time the amendment will be stated.

The amendment submitted by Mr. HUMPHREY, on behalf of himself and Mr. MORSE, was read, as follows:

In lieu of the amendment submitted by Mr. MUNDT, on behalf of himself and certain other Senators, insert:

"Provided, however, That in addition to agreements in regard to cotton and cotton textiles the President shall negotiate agreements with representatives of foreign nations limiting in like manner the export to the United States from foreign countries to the following commodities: beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, dairy products, timber and timber products, when in his judgment such imports seriously affect domestic producers.

Mr. HUMPHREY. Mr. President, I do not intend to debate this substitute amendment tonight. I understand that tomorrow the Senate will be operating under the time limitation under the unanimous-consent agreement which has been entered into.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. HUMPHREY. At that time I shall call up my substitute amendment for consideration.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska will state it.

Mr. HRUSKA. Under the agreement previously entered into, are all amendments on this score before the Senate to be voted upon serially; or just what is the situation? Will the amendment in the nature of a substitute displace the Mundt amendment, or will it be voted on in its proper order, together with such other amendments as may be proposed?

The ACTING PRESIDENT pro tempore. They will be voted on according to their preferential standing when offered.

Under the agreement, the debate is under the control of the Senator from Louisiana and the Senator from South Dakota.

Mr. HRUSKA. But if additional amendments are offered or if additional amendments in the nature of a substitute are offered, they are to be voted on in order, commencing at the hour of 2:30 tomorrow afternoon, are they not? Is that correct?

The ACTING PRESIDENT pro tempore. An amendment in the second degree is now pending, and the first vote will come on the substitute offered by Mr. HUMPHREY (for himself and Mr. MORSE) for the so-called Mundt amendment, unless in the meantime a perfecting amendment should be offered having priority.

Mr. HRUSKA. What about additional amendments in the nature of a substitute?

The ACTING PRESIDENT pro tempore. No further substitute is in order while the present substitute is pending. If it is rejected, another substitute could be offered.

Mr. HUMPHREY. In other words, Mr. President, do I correctly understand that the pending question will be on agreeing to the amendment offered by me, on behalf of myself and the Senator from Oregon [Mr. MORSE], it being an amendment in the nature of a substitute for the Mundt amendment?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. HUMPHREY. And if our amendment is adopted—and we certainly hope it will be—the Senate will then vote on the Mundt amendment as substituted for by the Humphrey-Morse amendment?

The ACTING PRESIDENT pro tempore. Yes, as amended by the Humphrey-Morse amendment.

Mr. HUMPHREY. That is correct.

If our amendment should be rejected, then the Mundt amendment would be open to amendment, would it not?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. HUMPHREY. Then the first vote to be taken tomorrow, in connection with the Mundt amendment, will be on the amendment in the nature of a substitute, which a moment ago I offered on behalf of myself and the Senator from Oregon; is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. MORSE. Mr. President, at this time I wish to comment on the amendment in the nature of a substitute, submitted a moment ago by the Senator from Minnesota [Mr. HUMPHREY], as its author, and also in my behalf, as its sponsor.

In connection with the amendment to the Agricultural Act of 1956, Mr. President—I refer to House bill 10788—the Senator from South Dakota [Mr. MUNDT] has offered an amendment which would require that before agreements are enforced on cotton and cotton textiles, the President must negotiate agreements with foreign nations limiting the export to the United States of beef, pork, lamb, poultry, dairy, and timber products.

I appreciate the basis on which this amendment is offered; but its adoption

would not produce the benefits sought for any of these products, including cotton and cotton textiles.

I would support an amendment directing action on each of the enumerated products independently.

As I have stated, I have been pleased to join with the Senator from Minnesota [Mr. HUMPHREY] in the submission of the amendment in the nature of a substitute which he has offered. I believe it to be a very sound amendment.

When the bill was before the Committee on Agriculture and Forestry, my colleague [Mrs. NEUBERGER] raised the question of whether the Agriculture Act of 1956 included timber. I believe it was with great insight and foresight that she raised that question.

The committee concluded, on the basis of a letter from the General Counsel of the Department of Agriculture, that forestry is a part of agriculture and that timber is an agricultural commodity. Therefore, the act permits the President to take appropriate action on timber and timber products, when in his judgment such action is both necessary and desirable.

In other words, from the standpoint of the power of the President, we really do not need any amendment, insofar as timber is concerned, although I wish to make perfectly clear that I shall welcome an opportunity to vote for any agreement which is entered into in regard to timber, separate and distinct from agreements in regard to other products; and in a moment I shall state my reasons for my preference for that approach.

In this connection the Mundt amendment, as it applies to timber, is unnecessary; all it does is forestall action on textiles until some action is taken on timber and other agricultural commodities.

Therefore, Mr. President, I believe that the amendment of the Senator from South Dakota [Mr. MUNDT] meets the issue neither squarely nor properly.

I believe that the amendment in the nature of a substitute, which has been offered by the Senator from Minnesota [Mr. HUMPHREY], does meet this issue squarely.

Now I wish to say a few words about the parliamentary effect of the Mundt amendment, as I see its potentialities.

First, let us note the items listed in the Mundt amendment, namely, beef, pork, lamb, poultry, dairy, and timber products. But note what the amendment proposes to do. It proposes that before any textile agreement can be negotiated with other nations, there must also be negotiated an agreement in regard to all the other items—not separately, but all of them.

I say most respectfully and kindly that that creates great parliamentary complications for the Senate, for these various items are all in difficulty in our economy. There is difficulty over the importations of beef, pork, lamb, wool, poultry, dairy, and timber products.

I come from a great timber producing State, so I suppose it would be taken for granted that I would rush in to support any amendment offered on the floor

of the Senate that even mentioned the word "timber." There are those who say the Senator from Oregon would have a difficult time explaining why he does not do so, since the timber industry is having difficulty. Hearings are in progress. What will be the final field hearing will be held in Portland on June 4th. The hearings are solely and directly on the serious plight in which the timber industry finds itself because of Canadian competition. Many of us feel it is unfair Canadian competition in many respects, and that there is a duty on the part of the Government to take necessary steps to come to the assistance of the timber industry of the Pacific Northwest. But, Mr. President, in my judgment, I do not help the timber industry or the lumbermen of my State by rallying to the support of an amendment offered by the Senator from South Dakota which, in my opinion, would bog down any possibility of obtaining any agreement on anything.

The first thing to do, in my judgment, is to go forward with the textile agreement. Already we have gone a long way with the administration in making progress on an agreement in regard to textiles.

I am perfectly willing to be of assistance in voting for a measure that provides for an agreement, particularly when such measure contains the language which, as I have already made clear, would permit the President to take appropriate action with respect to timber and timber products. We do not need the Mundt amendment in order to permit the President to take action with relation to timber.

I say to the timber industry of the State of Oregon that not a single one of our lumbermen need have any doubt as to whether or not the two Senators from Oregon have been diligent in finding a solution, for we have made clear to our President the seriousness of the situation as it involves Oregon.

If the Mundt amendment is adopted, we shall have no agreement on textiles, beef, pork, lumber, or poultry, because they are all combined, and the provision would say, in effect, that, "You cannot have one without all." In my judgment, the possibility of obtaining all those agreements in time to provide the relief we need, is practically nil.

Furthermore, we have an opportunity to set a precedent with respect to textiles. We have the facts on textiles. The facts on timber are being supplied in part in the hearings being held by the Commerce Committee. It would be a great mistake to have the Mundt amendment thrown into the situation as a part of the legislative process, because it would produce a dilatory action in connection with all products. It would have the effect of defeating the legitimate purpose of the pending bill. I have no doubt of the legitimate objectives of the Senator from South Dakota, but this is not the way to accomplish those objectives.

So I join the Senator from Minnesota in the substitute he offers, because his substitute would provide for adequate

procedure. We will approve the textile agreement. We have an amendment that makes it perfectly clear that the President should proceed to give protection to other industries when it can be shown that irretrievable injury would be caused without such protection. I think it is a constructive way to approach the problem.

I shall not be present tomorrow, because I must leave on the midnight plane to be in Oregon tomorrow for the primary, but I shall return on Sunday. The leadership has said it will do its best to obtain a live pair for me on the Mundt amendment, the Humphrey amendment, and the bill itself.

I want the record to show this before I leave, because I know how this information can be misused and the results made misleading unless I make the situation very clear before I leave. I want to make it very clear to the lumber interests of my State that I am opposing the Mundt amendment because, in my judgment, it would work against the best interests of the lumber industry of my State. In my judgment, the adoption of the Humphrey substitute amendment is a proper way.

It would serve clear notice on the President as to the intention of Congress and that when we come forth with the documentation and evidence, the President should give us some support at the executive level and be of assistance in order to meet problems being created by Canada through various types of assistance their lumber interests are getting from their Government and the various advantages they enjoy in competing with the lumber mills of the Pacific Northwest. We are asking, in part, that something be done in regard to the rail transit system, whereby our Canadian lumbermen have an advantage in being permitted to hold box cars loaded with lumber free of charge for 2 weeks, whereas in the United States the Interstate Commerce Commission has denied this right to our lumber producers.

The lumber interests of my State do not have to worry over what the two Senators from Oregon and the members of our State delegation in the House, Mrs. Green, and Mr. Ullman, are doing. They are working to get executive action to protect the legitimate rights of our lumbermen. But I will not go along with the Mundt amendment, because I am satisfied that, although it is pleasant sounding in its phrases, in my judgment it would be most ineffectual in its results, whereas the Humphrey amendment would produce the results we need.

The bill itself, with the Humphrey amendment added to it, would be the best way to serve the interests of the industries enumerated in the Mundt amendment.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. Mr. President, I have the floor.

Mr. HRUSKA. Will the Senator yield for a question? He is the author of the amendment.

Mr. HUMPHREY. The Senator may direct a question to the Senator from Oregon.

Mr. HRUSKA. Let me direct the question to either Senator.

Would the Humphrey amendment add anything to the powers conferred on the President by the present section 204?

Mr. MORSE. I think it very clearly would add a direction to the President, and a direction is always a good legislative process.

Mr. HRUSKA. It is a direction to him when, in his judgment, imports seriously affect domestic producers. So it is still within his full discretion.

Mr. MORSE. What does the Senator from Nebraska think the Mundt amendment would add to the President's power?

Mr. HRUSKA. It would subtract from his powers until such time as he effects agreement in all these categories.

Mr. MORSE. It would take from his power and would not protect a single industry. In the present act we set the precedent for protecting the textile industry. We begin with textiles. We are well on our way in negotiations on textiles. I am sure the Senator knows what is going to happen on the floor of the Senate if Senators are to be put in a position of following a course of action that makes it impossible for the President to get meritorious agreements that ought to be made, unless the President can simultaneously secure like agreements for the other industries that can show a need for equally meritorious protection.

Mr. HRUSKA. If the amendment still leaves discretionary power in the President, the Senator from Nebraska does not see that it adds anything to section 204. If there is some way in which it does, I should certainly like to be enlightened.

Mr. HUMPHREY. The addition to the President's authority is only that of congressional intent. There would be a direction by the Congress that the President shall, when he finds imports seriously affect or impair the particular producers of the commodities listed, stop the importation of those commodities which are listed in the amendment. The President would be so directed.

Mr. HRUSKA. But the President has that power under the peril point and escape clause provisions now, does he not; together with the totally unrestricted power under section 204, which reads in part:

The President may . . . negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products.

Mr. HUMPHREY. Yes.

Mr. HRUSKA. His power is total, absolute, and unrestricted. It would add nothing to the act or to the President's power if Congress were only to say the President shall negotiate agreements when he thinks domestic producers are being seriously affected. That would add absolutely nothing.

Mr. HUMPHREY. I think the addition would be that the Congress is fully aware these commodities which are listed in the amendment could be seriously affected by excessive imports. If they are, and if the President in his judgment finds such to be the case, the President would be directed by the Congress to take the same action in respect to those commodities as he is to take in respect to textiles. Each commodity would be considered on its own merits, rather than in some kind of legislative smorgasbord, which is exactly what the Mundt amendment provides. It gathers in any and all gripes, any and all problems, rumored or in fact, puts them in one amendment and says: "Mr. President, despite what you have done in the negotiations in respect to textiles on the basis of evidence, on the basis of need, and on the basis of the national interest, you must tie this into a package including all other commodities, even though the evidence may not demonstrate those other commodities are being seriously injured. All of them must be tied in together, and if you cannot do that, Mr. President, you cannot do anything."

I say that would be restrictive legislation which I think would violate the intent of the Reciprocal Trade Agreements Act itself. I think it would be a backing up from where we were once before, by an act of Congress. I think it leaves textiles and other industries with no protection at all unless action could be taken for all the other products.

I think it would also be bad legislation not only in terms of its impact but also in terms of its language, with reference to the processes which would be established.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I completely agree with the Senator from Minnesota. I would put it this way: The Mundt amendment would add nothing to the President's power, and it would give us no assurance that there would be any agreement in respect to pork, lamb, timber or the other products mentioned. Furthermore, as the Senator from Minnesota has pointed out, it seeks to require the President to negotiate agreements on these other commodities irrespective of what the evidence may be, and with entirely different groups of nations.

Mr. HUMPHREY. Exactly.

Mr. MORSE. We must not forget that other nations are involved in timber products then may be involved in beef or timber.

Mr. HUMPHREY. Yes.

Mr. MORSE. As I stated, great progress has been made already in respect to the textile agreement. What would be done by the Humphrey amendment is to direct the President to take note of any industry in which irreparable injury is being done, and to seek to negotiate an agreement if the facts warrant it.

Mr. HUMPHREY. That is exactly the case.

Mr. MORSE. Lastly, if the Mundt amendment were agreed to, I think it would result in no agreements at all. The textile agreement would be thrown out, along with all the work which has been done in reference to textiles. In my judgment, it would create a very bad situation for achieving any legitimate protection for industries genuinely in need.

Let us be frank about this. It would be said that this was some kind of bargaining or trading proposition being offered, irrespective of the facts.

Mr. HUMPHREY. Of course.

Mr. MORSE. Senators supporting the textile industry have come to the Senate to say, "We have offered our case. We are ready to prove our case. We ask for approval of the agreement."

I want to be in a position to come to the Senate to make out the same case with respect to timber and, if I can prove the case—and I think I can—I hope to be able to obtain similar action.

Mr. HUMPHREY. I think we could add lead, zinc, and iron ore, even though one cannot call those agricultural commodities, because there is no rule of germaneness in this body. One could add almost anything.

Mr. HRUSKA. That would be all right.

Mr. HUMPHREY. The Senator from Nebraska in his comments is suggesting that if any Senator has in mind any commodity which anybody says is in trouble we should put it on the list, put it on the bill of fare, put it on the legislative menu—"The only way you can have anything to eat is to eat it all."

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HUMPHREY. It is said, "If you want to sit down at this table, take the whole menu, from top to bottom." That is what the Senator from Nebraska would say.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HRUSKA. The Senator from Minnesota is anticipating the argument. We shall not come to a consideration of that question until H.R. 9900 is before the Senate. On that score, if the bill contains then what it contains now, including bestowing virtually absolute power on the President, the Senator from Nebraska will oppose it and oppose it vigorously, because he does not believe that the President or any other person in America should exercise so much power without limitations prescribed by the Congress.

Mr. HUMPHREY. The Congress has prescribed plenty of limitations. The Congress of the United States has provided a limitation that these things cannot be done unless the President finds it is in the national interest. The President cannot make these agreements if he finds, for example, that such agreements would be injurious to the domestic producers. That is plenty of limitation.

What is really being said, though not in so many words, to get it out on the

table, is, "We don't trust the President. We don't trust his judgment."

The President of the United States will use the facilities of this Government to ascertain whether or not there is a national injury. I think he will do the right thing. I do not wish to be put in the position of preventing passage of much-needed legislation relating to the textile industry, even though there is not a single textile plant in the State of Minnesota. That industry obviously has problems. Its problems have been analyzed.

Negotiations are underway toward agreements which will be helpful to this country. They will not be injurious to other producers. Agreements have been arrived at, after diplomatic negotiations. I think this is the proper way to proceed, considering the merits of the question and the merits of the commodity involved.

This is exactly what the Humphrey-Morse amendment would do. I believe, if it is necessary to have an amendment to the bill, that the substitute proposed offers the sensible process, and I think it offers the more equitable way of proceeding.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. In the campaign of 1880 the Democratic candidate for the Presidency, Winfield Scott Hancock, remarked that "the tariff is a local issue." He was laughed to scorn for that statement. But the proceedings of the last few months and the discussion tonight in the Senate indicate that General Hancock knew about the tariff.

The President and the large part of the country on the one hand are trying to lower tariffs as an inducement to get other countries to lower their tariffs to expand the total area of international trade. They are doing this because they believe in the advantages of the international division of labor, that a broader market will stimulate a greater division of labor and will break down national cartels and monopolies. I agree with this general purpose, and I intend to support it.

The administration faces certain political difficulties which have become clearly apparent. The glass industry says, "We will be hurt." The carpet industry says, "We will be hurt." So, in order to placate the glass industry and the carpet industry, the President raises the tariffs on those two products in the hope of getting Representatives and Senators from those areas to vote for the trade expansion bill.

The textile industry, along with the steel industry, has been one of the two great centers of protectionism in this country. The textile mills of New England were protectionist from the very beginning. As a matter of fact, they financed the Republican Party and furnished the driving force for a large section of the Republican Party.

That was true of the textile industries in Pennsylvania. In the past our south-

ern friends have been low tariff advocates and broad traders because they exported raw cotton. Now, however, the textile mills have moved in large part out of New England and into the Piedmont region, which stretches from Danville, Va., to Birmingham, Ala. As the textile mills have moved South, they have carried with them the protectionist sentiment.

I well remember when the Reciprocal Trade Act of 1955 was passed in the House of Representatives by only one or two votes. On that occasion every Representative from the South or the Piedmont region voted against the Reciprocal Trade Act.

As realists we are all more or less familiar with what has happened. The textile industry is a powerful industry. Senators and Representatives represent textile districts in New England, the Middle States, and now the Southern States as well. In order to placate them and get them to support trade expansion, the Department of State and the Department of Commerce negotiated agreements with the European Economic Community and with other areas. I do not know the full details. On the whole they have done a pretty good job because, as I understand, the European countries have agreed to take more textiles from Hong Kong, so that we will be required to take less, or proportionately less.

Nevertheless, as tacticians, the administration made at least three successive concessions to protectionist sentiment in order to get the bill passed.

Now our good friend the Senator from South Dakota [Mr. MUNDT] has come forward with a proposal to include in the bill the livestock, dairy, and timber industries. Where is this process to stop? The Senator from Oregon [Mr. MORSE] has said that he wants to take care of Oregon timber, I suppose, against the competition of British Columbia timber?

The Senator from Maine implied that the shoe industry is in trouble. The shoe industry started in New England close to where the distinguished Presiding Officer, the Senator from Massachusetts [Mr. SMITH], now lives. I believe Lynn was the original center of the shoe industry. The shoe industry has gone west as the textile industry, in part, has gone south. St. Louis is now the center of the shoe industry, with Brown Shoe and International Shoe having their headquarters in that city. Shoe factories are scattered over the State of Illinois. So shoes will come in. If we make concessions to shoes, other industries will line up at the lunch counter. We can be quite certain of that.

The coal industry is a very important industry. I think it has been treated rather badly by Germany. We can lay down coal at the mouth of the Rhine and sell it at prices less than the German prices. But Germany will let in from outside countries only 6 million tons a year, of which we are permitted to bring in 5 million tons. Germany has refused to raise the quota. The coal industry is

asking for more severe restrictions upon the importation of residual fuel.

Constant complaints have been received from those in the flatware industry in Illinois. They say they are being menaced by flatware competition from Japan, and ask whether something can be done for them. I have fought them off thus far with the statement that we should consider the general interest of the country.

Illinois is a large producer of bicycles. Bicycles have been suffering from English competition.

The point is that once we start making concessions and trading, and once we start buying off local opposition, however necessary it may be, we weaken the general position.

It is notorious that I am not a skillful political tactician.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. What was the Senator's margin in the last election?

Mr. DOUGLAS. 437,000.

Mr. HUMPHREY. I must say, "What skill."

Mr. DOUGLAS. The people of my State have been very kind to me—much more kind than I deserve. I can only say on the floor of the Senate that I recognize that I am not a skilled tactician. I understand the motives of everyone. I have no criticism of anyone. I only say that if we start trading commodity after commodity, we shall lose the general principle. A halt must be called somewhere.

The President may have made a mistake with respect to the glass and carpet industries, because his action has evoked outcries from Belgium. Belgium is considering retaliatory measures on commodities because we are hitting some of their major industries.

I am not going to preach to my colleagues on this subject. The situation reminds me of Rip Van Winkle. Rip Van Winkle swore off intoxicating liquors, but whenever a drink appeared he would say, "We won't count this time."

It is very easy to send the general principle down the river in order to make a little local conciliation. How long can I hold out when people say to me, "Glass is protected. Carpets are protected. Cotton is going to be protected. Wool is going to be protected. Beef, pork, and lamb," we produce at least the first two of those commodities in large quantities, "butter, cheese, and timber," we do not have much timber, "must we always be at the end of the line?"

Mr. HUMPHREY. I come from a State that has timber, beef, and dairy products in large amounts. I am not asking that they be blanketed in under any protection. I think all these matters must be judged on their merits. Basically, I support the trade expansion bill, and feel that the national interest and agricultural interest will be better served by its enactment.

Mr. DOUGLAS. I am disposed to agree with the Senator from Minnesota. I have no fault to find with the admin-

istration. I have no fault to find with the Senator from South Dakota or the Senator from Nebraska. I think they are merely doing what others have done. What we face in the Senate is that the textile group is a very powerful group, centered not only in New England and the Middle States, but also in the Southern States. In a very genteel fashion they have held a pistol at the head of the President and said, "There will be no trade expansion bill unless you take care of cotton and wool." I suppose that is exactly what happened, and under that pressure the poor man could not hold out.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HRUSKA. Is the Senator suggesting that the timber interests, the cattle interests, the pork interests, and the lamb interests are unharmed, and therefore our interests will not be considered in the preferred class that can be helped by the President under the provisions of section 204? On the other hand, the cotton interests, being a little more potent politically and having a pistol, are getting what they want. If so, the issue before the Congress now is the question whether we can summon enough power here to do something which will assure our people of enjoying the same treatment given the cotton interests.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I think we should differentiate between the dead-eye aim of the pistol, which picks a particular target, and coming through with a mallet and catching what one can find.

Mr. HRUSKA. On the contrary—

Mr. HUMPHREY. I am not happy with what happened with respect to glass.

In fact, I wrote to the State Department about glass and carpets. For example, immediately after tariffs were raised on glass, prices went up immediately on glass products. I did not care for that. I wrote to the Department and expressed my concern about it. I wrote to the Department of Commerce and the Department of State. They gave me some information which somewhat disabused my mind of certain misconceptions. But I feel that the policy is one which can lend itself to abuse.

I think we all recognize that in the legislative processes we seldom get the perfect instrument.

We are seeking through the trade expansion bill to give the President the basic authority to be able to sit at the conference table of economic and trade negotiations with enough flexibility for the adjustment of tariffs and duties so that our negotiators and the President will be able to provide us with the best package that is available under the terms of the agreement.

I hope that this will be the case. I should very much dislike to see the legislation loaded down with any more exemptions and exceptions.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I wish to make this brief comment on the observations of the Senator from Illinois and the Senator from Minnesota. We are dealing here with both a definitive problem and also with a matter of degree. I have made some inquiries and have done some book work on this subject. I do not understand that this textile agreement is satisfactory to the textile industry of this country or to the textile industry of some of the other countries. It is not an agreement that eliminates what many of the textile manufacturers of this country feel is an injury. We have a definitive problem as to whether the agreement meets what I believe we ought to work for; namely, the elimination of irreparable injury to an industry. That does not mean the elimination of all injury.

I wish to make it clear that I will support the trade program of the President so far as the objectives are concerned. I am certainly not going to take the position that all possible injury that may result to some industry must be eliminated before I will vote for the bill. We cannot have that kind of guarantee and meet the international trade problems that confront the country. There will have to be some give and take.

As the Senator from Illinois has pointed out, there have been negotiations at the international conference table with respect to textiles. It looks as though this might be a fair and reasonable compromise of the economic differences.

There is the Hong Kong matter, to which the Senator from Illinois has referred. There are other concessions made by other countries as well as by our own country.

As to glass, I am afraid that there is probably some reason to believe that the negotiators went too far, that they sought to protect the industry from any and all injury. I do not buy that.

Let me make clear my position with regard to timber. I am not asking to put the American timber industry in the situation where it will put the Canadian timber industry out of business. That is not my approach to this problem. I am seeking to eliminate certain unfair discriminations that our own Government is practicing upon the timber industry, namely, the transit problem to which I referred earlier. We cannot possibly justify the present policy of the Interstate Commerce Commission in forbidding a small lumber mill operator to put his lumber, which he expects to sell in New York City, into a freight car at Roseburg, Oreg., and start the lumber for New York, as is the case with someone in British Columbia, who can do that on the Canadian Railroad, and get what we have been talking about, a rolling storehouse for the lumber while it moves to market, while negotiations for its sale are under way.

That is discrimination against the lumbermen of our country. I want the executive department to do something.

The same thing applies in the timber industry with regard to certain advantages that the Canadians have in the shipping of their timber.

I have been heard to say that I support the Magnuson proposal, of which I am a cosponsor, and that the part of the Jones Act which discriminates against our lumbermen ought to be eliminated, at least in the sense that the Government, and not our lumbermen, will pay the subsidy.

If we make them ship in American bottoms, in order to have available an efficient merchant marine in time of war, our lumbermen should not be placed at a disadvantage with Canadian lumber mills, who do not encounter that situation. It is this type of elimination of injury that I am referring to. It is the elimination of irreparable injury, not the elimination of all injury that I favor.

It is unfair to permit this kind of injury in the lumber industry to continue.

The Humphrey amendment would make it possible for the President to proceed to eliminate that kind of injury without our building a high tariff wall. I am against that, whether it is for timber, textiles, glass, or anything else. I think it will take time to adjust this kind of trade policy. We cannot proceed all at once.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I have completed my statement.

Mr. HUMPHREY. The Common Market trade policy on agriculture will not be consummated in terms of a unified tariff and duty structure for the Common Market countries until 1969, which is 7 years from now.

Mr. MORSE. We are buying time.

Mr. DOUGLAS. I do not wish to prolong this discussion, because the hour is late, and I know that Senators, including myself, wish to make insertions in the RECORD.

It is true that the Humphrey-Morse amendment is not as bad as the Mundt proposal, and it is probably the best way of dealing with the situation at this time.

However, it would be a great temptation for all of us to sacrifice general principle for specific, local interests, and specific commodity interests. The more we sacrifice the general interest for the local interest, the greater the pressure will be upon others to demand similar privileges for themselves. Those who consider the international interest usually come out at the little end of the horn. That is the purpose of what I was trying to say today.

Adam Smith once declared that there were two ways of getting a general reduction in tariffs by a number of countries. One was for one country to lead off, reducing its tariffs, in the hope that other countries will reduce their tariffs. The other is for a country to threaten to increase its tariff unless the other countries reduce theirs.

The present trade expansion bill gives the President the first set of powers, but not the second set of powers, except under some obscure sections of the existing law.

I spent about a month in Europe last fall, interviewing the German Minister of Economics, Mr. Erhardt, and responsible persons in Bonn, Brussels, Paris, and London. I came to the conclusion that the Common Market will not for a long time give much of a break to American agriculture. We must look forward, in all probability, to a diminishing market in Europe in wheat, feed grains, soybean oil, frozen chickens, tobacco, and a number of other products.

I believe that one of our problems will be to minimize this loss. I have reached the tentative conclusion that we stand a better chance to minimize this loss if we give the President the power to increase tariffs, provided the increases have for their sole purpose obtaining reductions in the tariffs of other countries, or if he threatens to increase the tariffs.

I hope that he will never be compelled to use the powers. I do not want to start off a retaliatory tariff war. I do not want to put the President in a position where the protectionist pressures upon him will be insurmountable. However, I have come to the conclusion that a mere offer of reciprocal reductions will not be sufficient to sway the tariff policies of Germany and France. Therefore, it is much better for the President to go to the bargaining table with something in his hand pocket, which he will not take out and brandish, but which our European friends will know is there.

So it is my present intention, unless I am convinced that this is wrong, to offer such an amendment at the appropriate time, either in the Committee on Finance or on the floor of the Senate. I throw up this trial balloon really in order that the question may be more fully discussed by those who read the RECORD. But this is not the time to expand on that.

I yield the floor, because I believe other Senators desire to make statements and insertions in the RECORD.

A SOUND HEALTH PROGRAM FOR AMERICA

Mr. HUMPHREY. Mr. President, yesterday it was my privilege to speak before the Group Health Association in Washington. In my address I outlined the progress the Congress has made in health legislation in the 87th Congress and gave a review of the administration's comprehensive health program.

This far-reaching program includes such measures as liberalization of certain provisions of the Hill-Burton Act for construction of rehabilitation facilities, improvements to meet the needs in mental health, assistance to medical and dental schools and students, and certainly not least of all, the medicare plan for the aged under the social security system.

I spoke on many of the needs, costs, financing, and other aspects of the medicare legislation in some detail, and I call the attention of Senators to this section of my speech in particular.

Mr. President, I ask unanimous consent that my speech before the Group Health Association on May 15, 1962, be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A SOUND HEALTH PROGRAM FOR AMERICA (Excerpts of remarks by Senator HUBERT H. HUMPHREY)

All of you are well aware of President Kennedy's profound personal commitment to the health of the American people. In his special message to the Congress, he stressed that progress must be made to strengthen all the indispensable elements of a sound health program—"people, knowledge, services, facilities, and the means to pay for them."

THE COMMUNITY HEALTH SERVICES AND FACILITIES ACT

We did make a good start in health legislation in 1961. At the request of the President, Congress enacted legislation to help develop new and improved community health services, to build more nursing homes, to provide better nursing care in the homes of patients, and to develop more efficient services within hospitals.

The Community Health Services and Facilities Act is an important milestone toward our goal of bringing medical knowledge within reach of all. This legislation has particular significance for the older people of America and those striving to minister to their needs.

The act liberalizes the provisions for granting Hill-Burton aid for the construction of rehabilitation facilities. Formerly, rehabilitation funds were available only for centers which could offer medical, psychological, social, and vocational services. Under the new law any center that offers medical service—plus one of the other services—is eligible to apply for construction funds.

A feature of the new law which had been sought by the Public Health Service for several years is the authorization of more funds for hospital research and demonstration. The new legislation makes it possible to invest \$10 million annually in Federal funds for this purpose. Formerly, the ceiling was \$1.2 million. The law also liberalizes the program to allow these funds to be used for the first time to purchase special equipment and to construct special facilities of an experimental nature.

One of the most significant aspects of the new law relates to development of out-of-hospital services, particularly for chronically ill and aged.

Many patients today are entering hospitals when they could be better treated elsewhere, and many are staying in hospitals longer than they would otherwise need to, simply because the hospital is the only place where they can get some of the nursing, restorative, and other services they need. To cope with this problem, some hospitals, health departments, and other health agencies have developed organized home-care programs—programs which bring to the chronically ill or convalescing patient, in his own home, the services he needs and thus free hospital beds for the acutely ill.

Under the Community Health Services and Facilities Act, the Public Health Service is now authorized to make projects grants to hospitals and other nonprofit agencies that want to conduct studies, experiments, or demonstrations of these and other new methods of providing care outside of the hospital.

This provision of the new law should fill an important gap in existing programs for the chronically ill and aged by encouraging communities to take constructive action to help the growing number of people who are too feeble to get along without any health and medical services but not sick enough to require hospital care.

But these gains—important as they are—represent a start only. I am becoming increasingly confident that we shall see fundamental and meaningful changes in attitudes—and in legislation—in the near future. And we are due for some important changes—in the financing, organization, and availability of medical services. Otherwise, we will not realize the powerful potential of American medical services in terms of benefits for all our people.

MENTAL HEALTH

Among the national health needs to which the President gave special attention in his health message on February 27, the problems of mental illness and mental retardation are high on everyone's priority list for intensified attack. It is no secret that our thinking about the mentally ill has only recently emerged from the Dark Ages, and that much of our practice still remains in the Dark Ages.

This past year the Joint Commission on Mental Illness and Health, after 5 years of intensive study, issued a revolutionary report. This report for the first time projects a program scaled to the dimensions of the problem. It calls for tripling expenditures for mental health services by 1970. Last fall the Governors of the States, in a special meeting in Chicago, pledged greatly increased support for mental health activities.

The President has directed the Secretary of Health, Education, and Welfare, the Secretary of Labor, and the Administrator of Veterans' Affairs, assisted by the Council of Economic Advisers and the Bureau of the Budget, to review the Joint Commission's recommendations and chart a logical course for increased Federal effort in this field. Specifically this group has been asked to consider:

What is the desirable alignment of responsibility among Federal, State, local and private agencies?

Through which channels should Federal aid be directed?

How swiftly can we expand mental health services within the existing limitations of trained manpower?

What balance should be struck and maintained between institutional and non-institutional programs?

The answers which emerge from this study will serve as the foundation upon which a stronger Federal program, designed to strengthen State and local programs where they need it most, can be built. Meanwhile, of course, we shall continue our vigorous support of research and training in mental health, and the many programs of care and benefits for veterans and others which add up to a \$1-billion-per-year Federal investment in mental health.

The President's Panel on Mental Retardation, appointed last year, is hard at work developing recommendations for future activities in training of personnel, conduct and support of research, and extended efforts in treatment, education and rehabilitation of the mentally retarded, who number some 5 million in the United States—with 126,000 added each year.

Another directive in the President's health message is of immediate interest to those of you who work in hospitals.

It relates to a reexamination of the Hill-Burton program, which has been strikingly successful in bringing general medical care facilities to the areas of greatest need. Rural America had tragically few hospitals when the Hill-Burton program was initiated 15 years ago. Today the priority of urgency may well have shifted. Many existing hospitals, especially in our cities, are so obsolete that their usefulness is seriously impaired. The shifting patterns of metropolitan living have left some hospitals once serving a thriving

neighborhood, in the middle of concrete deserts. We have urgent needs for long-term care facilities for the elderly, and for short-term care facilities for the mentally ill. The medical facilities construction program of the future may have to be shaped for different objectives.

Our resources for health, though generous, will always be limited. Perhaps the most important job, in which all the partners can contribute, is to achieve a balanced use of these resources.

The history of health services in this country, impressive and productive as it undoubtedly has been, is a history of response to urgent and immediate needs. Health problems have been attacked piecemeal, as they emerged from the changing pattern of our society and cried out for solution. Especially in these recent years of dazzling change and growth, it has been difficult for anyone to see the whole in perspective.

HEALTH INSURANCE FOR THE AGED

The most significant—and necessary—program proposed by the President is Health Insurance for the Elderly under the Social Security System. Here are the facts which underline the need for this program:

1. Persons over 65 have medical costs twice as high as those of younger people, but their annual incomes, on the average, are only half as large.

2. In the course of a year, one member of every fifth aged couple goes to the hospital. In many instances both members are hospitalized in the course of 1 year.

3. Only about one-half of our older people have any kind of hospital insurance, and it is limited and expensive.

4. Aged persons spend two to three times as many days in a hospital as younger persons, and they see physicians half again as many times.

These facts are not news—least of all to people like you who are dedicated to the task of caring for the aged and providing medical care for them.

I believe that every aged person should be able to receive the medical care he needs, regardless of his financial status and without being required to take a pauper's oath.

The social insurance method proposed by President Kennedy would provide the means of spreading over the working years the cost of health services in old age. Under it, services to the aged would be provided in a way that preserves the dignity of the individual. Aged persons—including those with average and even above-average incomes—constantly face the threat that costly medical care will wipe out their savings and force them, after a lifetime of independence, to put heavy financial burdens on their children or to resort to public or private charity.

As the President said in his health message, the program of health insurance for the aged will meet the needs of the millions of the aged who do not want charity but whose entire financial basis for security—and often that of their children—may be shattered by an extended hospital stay.

The President proposes to use the nationwide share-the-risk, spread-the-cost mechanism of the social security system to help older people meet the major costs of serious or prolonged illness.

The plan would be self-financing. Working men and women would contribute a small percentage of their earnings, and their employers would add a like amount. These sums would go into the social security trust fund, and the fund in turn would pay for a number of specific services.

Under this plan, a person over 65 who was eligible for social security or railroad retirement benefits could receive extended hospital care and also could receive extended nursing-home and special health services in his own home.

An ill person could remain in a hospital for as long as 90 days and have all his regular hospital expenses paid by the fund over and above a cost to him of \$10 a day for the first 9 days. The minimum charge to the patient for a short stay would be \$20.

If his condition improved so that he no longer needed intensive hospital care but still required expert care during his illness, he could transfer to a nursing home for a stay of up to 180 days, and the fund would pay all the nursing-home costs.

During any period of illness, an eligible person could be hospitalized for as many as 60 days and still receive as many as 180 days of skilled nursing-home care. If he needed to stay as many as 90 days in the hospital, he would still be eligible for 120 days of skilled nursing-home care.

If the ill person did not need hospitalization but could be cared for as well or better in his own home, the fund would pay for up to 240 home health-care visits by trained nurses, physical therapists, occupational therapists, or part-time homemakers in any calendar year.

Also, a sick person whose illness had not been diagnosed could get help in paying for expensive diagnostic services as an outpatient of a hospital. The fund would pay all costs above \$20 for these services.

Thus, the financial help that would be provided under the President's proposal is tailored to the major needs of older people. It is a flexible program designed to help people over 65 obtain the kind of care and services best suited to their needs.

Because of the vast number of contributors, the health insurance program can be financed by increasing the taxable earning base from \$4,800 to \$5,200 (which will also result in larger regular cash benefits for many people) and by increasing the social security contribution on employers and employees by only one-fourth of 1 percent and the contribution on the self-employed by three-eighths of 1 percent.

The reason the health insurance program can be financed by these small contribution increases, of course, is that, while everyone covered by social security would contribute and thus be insured after age 65, not everyone eligible for benefits would become sick. In this respect, it would be like fire insurance—while many contribute, not everyone's house burns.

As a matter of fact, except in two major respects, the program would be much like private health insurance, where all subscribers pay in but not everyone needs to collect. The big differences, of course, are these: The contributors would be comprised of virtually the whole working force of the Nation, building up future protection, while the benefits would be available to a single major high-risk group—men and women 65 and over.

This can only be done under a uniform nationwide social insurance system. It cannot be done through voluntary health insurance plans.

There is a further advantage to the social security approach, and that is that millions of people who have already reached their 65th birthday when the program goes into effect can be protected immediately, even though they have not contributed specifically to the health insurance account. Whenever social security benefits have been increased in the past, those on the rolls at the time have shared in the improvements.

Still another advantage of having a health insurance program through social security is that State welfare programs will be able to do a better job when most older people are protected against the costs of prolonged hospitalization or other health services. When the States no longer have to carry such a large burden in meeting these needs

through public assistance, they will be able to work toward a more effective medical assistance program for the relatively few aged men and women who would still need help in meeting their health-care needs.

During the first full year of operations, it is expected that the health insurance fund would pay out about \$1 billion for hospital, nursing-home, and home-care services. During that year about \$1.2 billion would be paid into the health insurance account, and another major program to improve the well-being of the American people would be on its way.

On the basis of the latest Census Bureau count, the number of people 65 years old and over in this country will approach 18 million by 1963. Of these, about 14 million would be eligible for health insurance protection under the proposed program. Another quarter of a million have health insurance protection as former Federal employees. And more than half of the remaining older people will be entitled to some form of publicly financed health protection through veterans programs, old-age assistance, or the new Federal-State health benefits program. Some, of course, will be receiving full medical care in publicly or privately supported institutions.

Responsibility for administering the program would rest with the Secretary of Health, Education, and Welfare for social security beneficiaries and with the Railroad Retirement Board for railroad retirement annuitants. There would be an advisory council to advise the Secretary on policy matters in connection with program administration.

For a hospital, skilled nursing home, or home health agency to enter into a contract to participate in the program, it would be required to meet certain specified conditions set forth in the bill. Essentially, these conditions are those generally accepted as necessary for quality care.

In formulating conditions for participation, the Secretary would consult with the States, with the advisory council, and with such accrediting bodies as the Joint Commission on Accreditation of Hospitals. In addition, a State could recommend to the Secretary of Health, Education, and Welfare that higher conditions be established for providers of service in that State.

A participating hospital would need to be licensed by the State, maintain adequate medical records, and have 24-hour nursing service, bylaws for staff physicians, and a committee of physicians to review necessity for admissions, lengths of stay, and services provided. Similarly, participating nursing homes would need to be licensed, have medical policies established by physicians, maintain adequate medical records, provide 24-hour nursing service, and have a nursing facility utilization plan.

With the passage of this urgently needed legislation, we will have made a major forward step in bringing to the older men and women in our society the blessings of modern medical care. And I predict this legislation will be enacted—this year.

Victor Hugo once said: "No army can withstand the strength of an idea whose time has come." And the time has come for this idea to be translated into reality: That working men and women should have the right during their productive years to earn pre-paid health insurance for their old age.

ASSISTANCE FOR MEDICAL SCHOOLS AND MEDICAL STUDENTS

All of the programs of protection and all of the physical facilities envisioned cannot become operative if we do not have the trained personnel to run them. We do not have an adequate supply of trained personnel today. Within the next 10 years, we must have a substantial increase in enrollment in our existing medical and dental

schools and we must have at least 20 new medical schools and 20 new dental schools.

Modern medical and dental schools, and teaching hospitals to an even greater degree, are expensive to establish, to expand, and to operate. Medical school and dental school tuition is high—only one out of eight medical school students receives a scholarship from any source and these average only \$500 a year, compared to an average cost of over \$2,500. In dentistry, even less scholarship aid is available. We need to encourage more talented students—including needy ones—to enter the health professions and we need to improve the quality of their training.

To this end, the administration has recommended:

First, an immediate program of grants to help in the planning of new medical and dental schools and to find ways of improving the whole educational process;

Second, a 10-year program of matching grants to help in the construction, expansion, and restoration of medical and dental schools to increase their capacity: \$25 million would be made available in the first year, and \$75 million annually thereafter;

Third, a program of Federal scholarships for talented medical and dental students, and tied in with this, cost-of-education grants to the participating institutions.

President Kennedy's proposals to the Congress would help our Nation overcome these shortages and meet the urgent health requirements of our times.

"The measures I have recommended," President Kennedy said in his message to the Congress, "recognize and strengthen the indispensable elements in a sound health program—people, knowledge, services, facilities, and the means to pay for them. Taken together, they constitute a necessary foundation upon which to build."

And the people of this country will, I am convinced, build this necessary foundation so that the benefits of medical knowledge will be within the reach of everyone who is ill or injured. Upon this necessary foundation we can build a newer and stronger America.

SOVIET FOREIGN POLICY—ITS IMPLICATIONS FOR THE WEST

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a recent address by Thomas L. Hughes, Deputy Director of Intelligence and Research for the State Department, delivered at the Conference on the Sino-Soviet Bloc at Gustavus Adolphus College, St. Peter, Minn., be printed in the body of the RECORD.

I take this opportunity to commend Mr. Hughes for this excellent analysis of the Soviet Union's foreign policy and its implications for the Western World.

To all who are interested in world affairs and in the challenge we face from the Soviet Union, I recommend the careful study of this splendid address.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOVIET FOREIGN POLICY—ITS IMPLICATIONS FOR THE WEST

(Address by Thomas L. Hughes, Deputy Director of Intelligence and Research, Department of State)

President Carlson, Countess Bernadotte, colleagues, friends, and participants in this 13th annual Bernadotte Institute on World Affairs, it would be difficult to find a more pleasant place to spend the first weekend in May than here in Minnesota—difficult to

find more fitting auspices for such a conference than here at Gustavus Adolphus College during your centennial year—and difficult to find a more provocative topic than the one you have assigned to me, "Soviet Foreign Policy—Its Implications for the West."

Flying over southern Minnesota late yesterday afternoon, I was filled with memories of boyhood, family, and friends; of youth, school, and college. The first 22 years of my life were lived in this corner of America, and I was happier here than I have words to say. I am therefore doubly grateful to you for inviting me, because you have brought me home once more.

It occurred to me, too, that in 1862 when this college was founded, my own great-grandparents had made their way to the pioneer farmlands of this rich Minnesota River Valley. But already, across the Atlantic, city-oriented Karl Marx had written off farmers everywhere for purposes of the Communist world revolution. They were "lost," he said, "in the idiocy of rural life." The thought crossed my mind that the whole world would have been better off, and later generations of Communists less misled, if he had joined the German migration to New Ulm (Minn.) rather than sought refuge in a musty British museum. That way, too, instead of spending so many years writing about capital, Marx might even, as Mrs. Marx reputedly wished, have brought some capital home.

Whatever it is, the "idiocy of rural life" has played rustic havoc with Communist agricultural policies ever since. I'll wager that Lenin or Stalin in their day, and Khrushchev or Mao in ours, would privately gladly barter a good deal of dogma in exchange for some of the soil, skill, and spirit that has produced the agricultural abundance of southern Minnesota. But Communist rulers in practice are still trying to have the best of both worlds. They are trying to match our agricultural abundance, based on the released energies of a free farm community, with the methods of organizational coercion. Their failures are monumental. Right now, for instance, the Chinese Communists undoubtedly consider their own chronic inability to solve their food problems as far more of a threat to the staying power of their regime than any prospective return to the mainland by Chiang Kai-shek from across the Formosa Strait.

Now all of this is closely related to the topic of Soviet foreign policy. Indeed, the erosion of communism as an ideology—not to be confused with the continuing threat of Soviet and Chinese power—is just one of several factors in the recent past which is causing a significant, if gradual, shift in the ingredients of ideology and practicality which make up Soviet policy. I suggest that we first turn our attention (1) to that erosion in ideology; then (2) to the broader context of the great 20th century divisions which tend now to separate the world—divisions which condition both United States and Soviet foreign policy; then (3) to some of the unchanging elements in the Soviet challenge; then (4) to some of the changing aspects of that challenge; and, finally, (5) to some of the implications for the United States and the West.

I. THE DECLINE OF COMMUNISM AS AN IDEOLOGY

For years it has gone without saying that Soviet foreign policy has been inspired, guided, and dominated by Marxist-Leninist doctrine. But it is not a bad idea, every now and then, to look at sayings like this to see if they are still going.

One problem, of course, is to determine what the "Marxist-Leninist" doctrine is. Books have been written on "What Marx Really Meant," and other books on "What

Marx Really Meant Actually." Today Leninism, Stalinism, Maoism, "peaceful coexistence," "unremitting struggle," "socialism in one country," "world revolution," "complete and total disarmament," "the death knell of capitalism," and all the other way stations of ambulatory Marxism are under new stresses and strains—and more from their exponents than their opponents. The traditional Marxist ideology, as distinguished from Soviet and Chinese power and example, has almost ceased to excite interest outside the Sino-Soviet bloc. More and more its chief role has been to provide the polemicists inside the increasingly unblocklike bloc with the ideological hammers and tongs with which to flay one another. Some of these gentlemen themselves must be beginning to feel that they have had a dialectical runaround.

If you listen to what the Soviet leaders continue to say about the so-called capitalist world, you are struck by their status quo ideology. For instance, the recently adopted new Soviet Party program—which Khrushchev proudly called "the Communist Manifesto of the present epoch"—sounds as archaic as the original. It repeats all the analysis of bygone days—again proclaiming that capitalism is "imperialism in the period of its decline and destruction," and that the state is acting "in the interest of the financial oligarchy."

Now the writers of this manifesto naturally view events in the non-Communist world through their own glasses darkly. But at some point when they try to sort out their own thoughts about such recent developments as the European Common Market, or President Kennedy's handling of the threatened steel price increase, their confidence in their own dogma must be shaken to the point of embarrassment. The truth is that the world is refusing to act the way Communist ideology says it should.

It is important, of course, to remember that on those occasions when the Communists consciously depart from their doctrine, we are not necessarily the first to be told. Lip service to outworn creeds can continue for centuries after the fervor of belief has passed away.

In any event, the Soviet Union has in fact been confronting certain realities lately, and some of these realities must have had a bruising, if unacknowledged, effect on both the ideology and foreign policy. Earlier this week when Cosmonaut Titov looked down on New York City from the top of the Empire State Building, he did not see the Victorian Manchester of Dickens and Marx, but the pulsating symbols of 20th century American affluence. Titov himself reportedly summed up his reactions in two words, "Not bad."

It is now more than a generation since Lincoln Steffens made his famous trip to the Soviet Union and came back announcing, "I have seen the future, and it works." Well, the future may look different, perhaps even to Titov, from the top of the Empire State Building. Undoubtedly it looks different to Titov, and Gagarin, and Glenn, from outer space. We are all readjusting, in one way or another, as the space age moves on. Marxist-Leninist texts will be of even less use on the moon, no matter who gets there first.

II. THREE GREAT WORLD DIVISIONS

Meanwhile, back here on earth, there are at least three dangerous and critical divisions confronting the world community as we consider the prospects for the rest of this century. Soviet, as well as United States, foreign policy must increasingly come to grips not only with one or another of these divisions, but with all three.

First, there is the familiar East-West division between the Communist and non-Communist worlds, the division between Wash-

ington and Moscow, and those capitals associated with each.

Second, there is the overall North-South racial division between the colored and the less-colored people, a division which neither white Americans nor white Russians are admirably equipped to heal.

Third, there is the overall North-South economic division between the newly developing nations and the already industrialized nations.

I, myself, first felt the personal impact of these three great divisions when I went to the Middle East in 1950, that ancient area of trouble and tension where Count Bernadotte had sacrificed his life just 2 years before. Amid the scar tissue of the Arab-Israel war, all the other elements of the three great divisions of the 20th century were there for all who had eyes to see.

Thousands of miles away, the Korean war had propelled cold war politics and Soviet-American rivalry into the Middle East with a vengeance. On both sides of the Arab-Israel barbed wire, there was a pulling and hauling linked to the East-West contest.

There in the Middle East I also first experienced the smoldering racial danger of the colored two-thirds of mankind, anger which I have since seen in many other parts of the world—in the widely held belief of Asians that we dropped the atomic bomb on Japan and not on Germany because the Japanese were colored—in the bitter African reaction to such widely reported incidents as the refusal of a Maryland restaurant to give an African Ambassador's son a glass of water because of his skin.

There, too, in the Middle East I first fully felt the impulses generated by the passionate drive for economic development, an impulse shared all over the poverty stricken two-thirds of the world which so often happens to overlap the nonwhite two-thirds as well.

It is these two other great world divisions, the racial one and the economic one—the North-South divisions—which are increasingly setting a context in which the East-West contest must operate. After all, there are 2 billion people in this world who are neither Russian nor American, and a large percentage of them profoundly distrust both Russian and American policy. What do they think, these people on the awakening continents? It might matter.

Many of them, of course, are too sick to think. Malaria, cholera, and intestinal parasites keep them from thinking.

Many are too hungry to think, except about food.

Many die when they are babies, so they never have to think at all.

The overwhelming bulk of them are black, brown, and yellow, and the motto of many of them, based on centuries of experience, is "Never Trust a White Man."

It is little wonder that their emerging new leaders, even the most moderate, are preoccupied with their own struggles for greater human dignity, greater economic growth, and greater political freedom. We should not be surprised if they do not fully share our view that the cold war is essentially a conflict to save the remaining free world from Communist encroachment. Indeed, it is no surprise that they are basically disinterested in the great East-West division, in the Soviet-American cold war. They look at both Moscow and Washington with a certain suspicion. Julius Nyerere of Tanganyika put it this way: "Our desire is to be friendly to every country in the world, but we have no desire to have a friendly country choosing our enemies for us."

These three great world divisions, one East-West and two North-South, combine to constitute the overall challenge to U.S. foreign policy for the rest of this century. They

confront Moscow, too. It is against their background that we must assess the changing and unchanging aspects of the Soviet challenge itself.

III. THE UNCHANGING SOVIET CHALLENGE

Whenever we try to come to grips, as we must, with the changing Soviet challenge, it is more important than ever to remind ourselves at the outset of the unchanging things about it too. In a sense it is always true that the more things change, the more they remain the same.

Decaying as it is, Communist doctrine, whether propounded in Moscow or Peking, remains an activist doctrine. Anyone who has read Mr. Khrushchev's frank speech of January 6, 1961, or the subsequent statements made at the 22d Communist Party Congress in Moscow, will glean an overriding impression of fixed and unaltered intention to pursue the goal of Communist aggrandizement and revolution—to pursue this goal wherever opportunity offers itself, and wherever an opportunity can be created. The tactics and techniques of foreign policy have been altered by experience and changing Soviet capabilities, but basically the effort continues to use all the instruments of power and persuasion in pursuit of Communist goals.

A. The military threat

It is true that recently there has been evidence that the Soviet leaders have given up the notion that the only way in which communism will come to the world will be by an inevitable and cataclysmic war. At the same time, the Chinese Communists view the risks of war with greater equanimity, and this appears to be one of the differences between Moscow and Peking which underlies the current tension between them. But, even if we grant that the Soviet rulers may have come to consider the deliberate employment of all-out war as too risky a course, their own conduct in practice does not give us any reliable assurance that this is in fact so.

For example, the Kremlin time and again has had recourse to the most blatant form of rocket-rattling both against weak neighbors and against the United States. Support of the Castro regime is a case in point, as is the deliberate challenge to vital Western interests and rights in Berlin.

Perhaps more importantly, the Soviet leaders remain convinced that they must continue to shroud their military activities in complete secrecy, even though the prospects on all sides point to a shrinking and more open world. It is possible that their main motivation in doing this is their unjustified fear of an attack. But from the standpoint of the United States and free world society, Soviet secrecy means that whatever we may believe about Soviet intentions, we can never be sure that the curtain of secrecy is not designed to mask the preparation of an attack upon us or some other free country.

Moreover, we see no evidence that the Kremlin is holding its own military programs in abeyance; the series of Soviet multi-megaton nuclear tests last fall is graphic evidence to the contrary. Nor can we see any signs that the Soviet Union is refraining from using military means or threatening such use to pursue its objectives in many of the crisis areas around the world. Berlin again is merely the most dramatic case in point.

We are thus faced with a situation where our genuine concern over the continuing arms race must be placed in the context of a continuing Soviet challenge to our society by a system with undiminished aspirations to world supremacy, with massive military power to back up these aspirations, and with a veil of secrecy masking its intentions.

B. War by proxy

One of the unchanging aspects of Soviet foreign policy, the use of military power for political results, is underscored by the continuing indirect use of force—the use of Soviet military aid to foster international or civil wars while minimizing the risks of direct Soviet involvement. The Communist military threat ranges from Soviet ICBM's armed with multimegaton warheads down to the Viet Cong snipers in the villages of Vietnam.

In addition, under cover of the umbrella of Soviet power, Soviet strategists can use relatively modest amounts of military aid to pose serious political problems in the non-Communist world, particularly in former colonial areas where strong anti-Western sentiment is already present. Examples are the Soviet bloc aid to the UAR in the 1956 Middle East crisis, and Soviet offers to aid Indonesia in its military preparations to wrest West New Guinea from the Dutch.

C. Soviet economic growth, trade, and aid

Another central aspect of the unchanging Soviet foreign policy challenge is the economic one, based on the U.S.S.R.'s past growth rate of 6-7 percent per year, and its anticipated continued high rate of economic growth. This economic power of the Soviet Union presents a challenge to the United States and all the West on a wide variety of fronts.

First, it means increased military potential, for the greatest share of Soviet economic resources is devoted to heavy industry and military support industries. The U.S.S.R., with a total production less than half that of the United States, already has military expenditure approximately equal to our own. Furthermore, the Soviets devote a large allocation of their resources to research and development, enabling them to deepen their technology at the same time that they expand their production.

Second is the considerable demonstration effect. The economic successes of the U.S.S.R. are expected to persuade people outside the Iron Curtain that Communist economic organization offers the most relevant solutions to their own problems of poverty and aspirations for rapid development.

Third, the combination of economic growth and political control enables the Soviets to participate more actively in international markets. Whenever desired, they can pursue trade at political prices. U.S.S.R. sales of petroleum in recent years are perhaps the most striking example of a vigorous Soviet trade drive which serves both economic and political purposes. The Soviet Union is now the major supplier in Italy, as well as in several developing countries like Egypt. Such Soviet sales of oil have already cut into Western markets, reducing opportunities for profitable transactions of Western firms. They promise to do so further if the Soviets achieve their aim of increasing their sales as their production rises.

Soviet interest in trade with industrialized Western countries also serves simultaneous economic and political aims. One is the acquisition of technologically advanced capital and equipment needed to fill technological gaps in Soviet and bloc industry, petrochemical and electronics equipment being of high priority. A second aim is to encourage divisions in the Western alliance. A blatant recent example was Khrushchev's letter to Chancellor Adenauer holding out glittering prospects for expanded trade with the bloc, if West Germany would only recognize the economic cost of its ties with the West.

A fourth and growing factor is the role of economic aid in Soviet foreign policy. Economic approaches to less developed countries are intended to complement political and propaganda tactics, to supplant

Western influence, and to condition attitudes in these countries more favorable toward the political and ideological aspirations of the Communist world.

Offers of economic credits and technical assistance provide the chief means of accomplishing this purpose. Since 1954, about \$4.5 billion in credits and grants have been extended to 26 developing countries. The Aswan Dam in Egypt and the Bhilai steel mill in India are the best known bloc projects. In addition, roads in Indonesia and Afghanistan, port facilities in Ghana and Yemen, and railroad installations in Iraq and Guinea are important Soviet projects.

The economic assets of Soviet foreign policy in growth, trade, and aid add up to a formidable challenge in themselves. They also help promote another major and unchanging Soviet ambition—the diplomatic isolation and splitting of the West.

D. The diplomacy of isolating the West

The Soviet tactic at the United Nations and elsewhere, of fostering neutralist friendliness toward the bloc and of distrust toward the West, finds its favorite opportunity in issues of colonialism where the Soviets claim to desire freedom for the oppressed. This is not always so easy a game for the Soviets to play, for the world is not as simple as Soviet propagandists picture it. Examples of Soviet predicaments in a colonial context are its early moves in the Congo, and the difficulty in Kuwait where the Soviets had to maneuver between conflicting Arab interests.

But Moscow persists, too, in exploiting opportunities to exert divisive pressure on Western alliances, combining both threats and blandishments. Fulminations against countries where bases are located is a standard propaganda theme, put most strongly by Khrushchev himself in his threats to wipe out the orange groves of Italy and the Acropolis in Athens. Soviet overtures to West Germany, though heavily-handed vis-a-vis the West Germans, are also calculated to sow suspicions among the other allies of the Federal Republic.

E. Foreign Communist Parties and Communist fronts

Among the instruments of Soviet foreign policy, the national Communist parties and the national and international Communist front organizations remain among the chief choice organizational assets for political and propaganda purposes.

Outside the Soviet bloc, important Communist parties, such as the Italian, Indian, and Indonesian, under great pressure to compete effectively with other national parties, have developed a measure of independence from Moscow which may increase their political capabilities within their respective countries. For most of the Communist parties, however, their smallness in numbers and unpopularity on the scene reduce them to the role of holding operations. They exist merely as propaganda arms for the Soviet Union, hoping for the millennium.

The so-called front organizations were created in the 1920's to harness both Communist sympathizers and non-Communists to support international Communist objectives. Directed toward such specific targets as youth, women, labor, and peace groups, the front organization combines the specific demands of the target group with general Soviet propaganda themes.

These transmission belts between the Soviet Union and the non-Communist public seek to persuade people of the beneficence of the U.S.S.R., to associate them with Communist causes generally, and, where possible, to convert them to communism. Although Communist front organizations like the World Federation of Trade Unions, the World

Peace Council, and the World Federation of Democratic Youth, are of considerable usefulness as propaganda instruments for Soviet foreign policy, their importance in the last 10 years has been restricted to the field of propaganda and not much more. The international front organizations do not number within their ranks, for example, either the quantity or quality of the intellectuals who fellow-traveled in the interwar period. Moreover, Soviet postwar expansionism, coupled with counter-Communist activities, have changed the character of the front organizations to a point where membership is largely made up of Communists and crypto-Communists. The potentialities of the front organizations, therefore, seem to lie mostly in the politically unsophisticated areas of the world and more broadly in areas where political hopes for peace and disarmament are frustrated.

F. Cultural exchanges

Last among the instruments of Soviet foreign policy, should be mentioned the use made of Soviet cultural exchanges, grants of educational opportunities, and the interest in sending and receiving tourists. These factors pose both a challenge and an opportunity.

From a propaganda aspect, these exchanges can promote views favorable to Soviet policies, provide statements of visitors for exploitation, and gain influence through students trained in the U.S.S.R. One recent statement estimated that 4,000 students from underdeveloped countries now study in the U.S.S.R.

But these exchanges also can be counterproductive. Critical viewers can gain what from the Soviet viewpoint are undesirable insights into the Soviet system. The opening of Soviet society is promoted, and an unusual opportunity is presented for new influences on Soviet citizens. The effects can range from reassurance about the peaceful intentions of the West to a stimulated desire for freedom inside Russia.

So much for the unchanging elements of Soviet foreign policy—elements that seem to remain with persistence and impact, year after year, pursuing expansionist goals with all of the instruments of power and persuasion available.

IV. THE CHANGING SOVIET CHALLENGE

It is not necessary to go back and look at Stalin's Russia of 1952 and its view of the world in order to perceive how different the Soviet challenge is under Khrushchev in 1962—or to speculate what the challenge will be like in 1972. In fact, it is much more revealing of the changes in Soviet attitudes toward foreign affairs to compare the Soviet position and approach of only 5 years ago with that of today. The changes in even this short period of time tell us a great deal about the complexity of the challenge we face. They also suggest the value of thoughtful analysis, diplomatic skill, and an orchestration of political, economic, and psychological moves to help shape the world—including in directions favorable to our own interests and those of freedom generally.

With the launching of the first Soviet sputnik in 1957, Moscow must have seen its prospects improving rapidly. Soviet prestige was at its zenith. The scientific and technical accomplishment of launching the first satellite seemed to justify the Soviet system in the eyes of many who had earlier thought of the U.S.S.R. as a nation of illiterate peasants. Moreover, the sputnik, together with earlier Soviet possession of nuclear weapons, established the Soviet Union as a first-rate military power. Soviet superiority in the rocket field, it seemed, would soon make the Soviet Union the strongest military power

on earth. Economically, the Soviet Union had recovered from wartime devastation and could now set its sights upon catching up to the standard of living in the most advanced capitalist countries. Within the bloc, the Hungarian and Polish revolutions testified to popular unrest, but the crisis of 1956 appeared to have been weathered successfully and Soviet domination within the bloc was apparently unchallenged. Prospects for the expansion of Soviet influence in the world were never better.

In retrospect, Khrushchev would probably agree that it didn't work out that way. His high hopes of 1957 have not been justified. Something went wrong with south-east Asia, with the Congo, with the U.S.S.R. taking the public as well as the moral responsibility for breaking the nuclear test moratorium, with the flood of East German refugees which only a Berlin wall could stop.

Why is that so? Four developments have taken place that have cut Moscow down to size. The West, and this country in particular, has shown that it does not wish to be buried; it has improved its military stance and its economic vigor. Rifts have developed in the Communist monolith, chiefly between Red China and Red Russia, but also within the Soviet ranks. Underlying the controversy in the U.S.S.R., the ferment in Soviet life has grown, the present resource allocation is being questioned, and planning mistakes and indecision at the top level have made the solution more difficult. Moreover, there have been disappointments for Soviet policy in the developing nations of Africa, Asia, and Latin America. Let us look at each of these in turn.

(a) Soviet military power has grown and is continuing to grow. But the Soviet Union has not, and does not appear likely to, achieve military superiority over the West. In part the Soviets did not do all that they might have done to develop their military potential. Soviet resources are sharply limited, and Khrushchev in making his allocations had to content himself with less in the way of a military establishment than Soviet military planners might have thought in their interest. Of course, a major factor in this Soviet failure is the simple fact that Western military strength has grown at the same time, and, particularly in the case of missile power, grown more rapidly than the Soviet Union expected.

Hence, the Soviet Union must live in a world where it is not, and cannot in the near future expect to be, militarily superior to the United States. The risk of nuclear war weighs heavily upon Soviet policymaking. Indeed, the central issue in the Sino-Soviet dispute can probably be expressed as the question of the degree to which one ought to run the risk of nuclear war in dealings with the West. Khrushchev has been the conservative on this score, arguing that he could achieve communism's ultimate goals without involving the U.S.S.R. or its allies in a nuclear war.

But the risk of nuclear war is not limited to the U.S.S.R. Khrushchev has shown himself equally well aware of the reluctance of the rest of the world to become engaged in nuclear war, and has been able to use his possession of nuclear and missile weapons to make more or less plausible threats in a variety of situations. Soviet nuclear power, if markedly inferior to that of the West, still suffices to establish Soviet military presence in a variety of situations far beyond the reach of Soviet conventional forces.

(b) The Communist bloc has begun to show signs of decay; Moscow is no longer assured of its hegemony. Its leadership has been challenged by the Chinese Communists and even by the Albanians. These intra-bloc troubles should neither be exaggerated nor underestimated. For the present there

are indications that the dispute, which flared into the open with the denunciation of the Albanians at the 22d Soviet Party Congress, is becoming less acute. Faced with the embarrassment of public discussion of their differences and the danger of a complete rupture of the Sino-Soviet alliance, Moscow and Peking have been casting about to find some means of papering over the controversy in public. A complete break in the alliance is not to be expected in a matter of weeks or months. But the fundamental differences, and they are differences covering nearly every question of importance in world politics, remain unresolved. The tension and the rivalry remain, and Moscow's troubles with its recalcitrant ally are far from over.

Meanwhile, the differences which have become known have created a crisis in the world Communist movement where factions favoring one side or the other have been created. Both Peking and Moscow have their supporters in the front organizations and the foreign parties. Moscow can no longer rely on the movement to do its bidding. The resulting fracas inside the movement is likely to be more organizationally debilitating than intellectually stimulating.

(c) At home there are changes, too. Indeed, the Soviet Union seems to be demonstrating that a little improvement is a dangerous thing.

Though it still remains a police state, the Soviet regime has become far less repressive than it was a decade ago. But the relative liberalization has brought with it intellectual ferment and a tendency to question basic assumptions. This tendency has been particularly marked in recent months when, in the wake of the renewal of de-Stalinization after the 22d party congress, the Soviet leaders have been plagued with the decline of public faith in the party and its leadership. For example, the role of the present leaders during Stalin's regime has been questioned in both public and party meetings.

With the improvement in living standards and the appearance on the market of new and desirable evidences of the good life, the Soviet populace is developing wants which the regime can only satisfy very slowly. Soviet resources are scarce and the regime must decide whether it will put its money into industry, consumer goods or the military establishment. Last summer's military buildup by the West has imposed a military buildup upon the Soviet Union and the strain has been evident. This is not to say that the U.S.S.R. verges on bankruptcy, but I do suggest that Soviet leaders have to exercise some degree of circumspection in avoiding situations which call for abrupt increases in military spending.

(d) It must by now be apparent to the Soviets that the determination of the anti-colonial, developing peoples to revise if not shed their old relations with Europe is not necessarily synonymous with a desire to become wards or satellites of the U.S.S.R. It is true, of course, that the coming of independence to a multiplicity of nations in the Southern Hemisphere of the world has greatly increased Soviet influence and Soviet presence there. Yet country after country, Guinea being the most recent and perhaps dramatic example, has sought, after the initial flirtation, to curb excessive Soviet ambitions and to revert to something of a middle course between what it regards as the two major cold war contenders.

This does not mean that the U.S.S.R. has given up or will give up its ambitions in the developing of nonaligned areas. It does mean that the realization of these ambitions will probably be pursued by more sophisticated, less dogmatic, and more deliberate means. Moscow will still seek to prove that it is the real and only friend of these countries, that only Soviet assistance is

genuinely disinterested, that the Communist economic model is more relevant than the free enterprise model of the West. And Moscow will still seek, depending on circumstances, to build local Communist movements—through the training of cadres, the issuance of guidelines, the formation of front groups—which at some propitious moment can lay claim to a role in the governments of these countries and ultimately take them over. But there can be little question that compared to the seemingly justified great expectations of the period of, say, 1955-57, Soviet prospects have sobered. The reordering that has been going on in the developing world, while changing and often diminishing Western influence, has not led to the massive introduction of Soviet influence that seemed in prospect only 5 or 6 years ago.

This complex picture of the realities confronting Moscow today as it pursues its "immutable" goal of communizing the world is a far cry from the simplistic view of the bloc as a monolithic movement surging irresistibly to victory. In fact, no such movement ever existed. It certainly does not exist under Khrushchev. Even the relatively rosy prospects he appeared to enjoy a few years ago were in fact not real. The complex influences at work were simply more effectively concealed from our view, partly by our willingness to be intimidated by some of the myths which Soviet propaganda itself has perpetuated.

I now come to my central point. Our increased awareness that the Communist world has problems too does not reduce the size of the Communist challenge. It may, indeed, increase the magnitude of that challenge. While we can draw some comfort from the fact that Khrushchev and his Communist colleagues are finding out that they are not totally free agents in pursuing their ideologically inspired goals, we must at the same time remember that the Soviet threat to the West is not, therefore, less real.

Khrushchev, at least, has demonstrated an ability to adjust to changing conditions—to take a page from our book, as it were—and to become more flexible and pragmatic himself. His blend of ideology and pragmatism may not be as revisionist as the Chinese Communists think, but it is a long way from doctrinaire inflexibility. Despite any disappointment he may feel in the pace of Communist (and particularly Soviet) advances during the past few years, he is clearly determined to press on toward Communist victory at home and abroad. To the extent that doctrinaire visions are subordinated to a more pragmatic approach in his conduct of Soviet foreign policy, Khrushchev may in fact represent an increasingly dangerous and broad gaged threat to the West, a threat which is more rather than less difficult to combat.

It is at precisely this point that we come to the strangest irony of all: the possibility that Khrushchev, the world's professional dogmatist, should increasingly become in fact a practicing pragmatist, while some of us Americans, the world's leading pragmatists, should entangle ourselves emotionally in unproductive dogmas of full-time, amateur anticommunism.

V. IMPLICATIONS

There are many implications for the West in what we have just been discussing. I should like to suggest some of them indirectly, by putting my comments in the framework of this other subject which I have just mentioned. It is a subject of growing public interest, the problem of amateur anticommunism.

Let me set the stage for what I am about to say.

A. Cold war battle fatigue

We are entering a period of history when the burdens of the formulation and conduct of U.S. foreign policy are descending on all of us—not just the comparative handful of Americans in the State Department, or in the Foreign Service, or in the Government—but all of us. In countless ways we Americans, and other people all over the world, are increasingly engaged in foreign policy. We are thinking, arguing, proposing, campaigning, traveling, taking, and making and receiving impressions. Foreign visitors are increasingly in our midst, taking our pulse as a nation or a community or a college. Each of us is increasingly representing the United States to foreign eyes as much as any diplomat we send abroad.

Just at this time, when all our individual thoughts and actions are taking on new international significance, there has grown up in certain quarters an attitude which can best be described as cold war battle fatigue. In a sense this attitude is entirely understandable. There seems to be no end to the Soviet challenge, to cold war tensions, to new and renewed crises, to the demands and needs of others. Some of us are tired of all this, and we long for shortcut answers. In its most extreme forms, this cold war battle fatigue results in proposals to withdraw from the United Nations, abandon our allies, raise our tariffs, eliminate the income tax, slash the budget, and go to war at the drop of a hat with anyone who disagrees.

In a way it would be un-American not to be frustrated by the prospect of a generation of uncertainty and indecision. In the past we Americans have been accustomed to think that everything will come out all right in the end; that the Pilgrims had a rough first winter, but managed to pull through; that Valley Forge inevitably was followed by Yorktown; that Daniel Boone and the Pony Express always got through the forest; that we never came to a river we couldn't bridge, a depression we couldn't pull out of, a war we couldn't win.

Today these assumptions are no longer self-apparent. On balance, a good case can be made that the alternative to coexistence is no existence. The problems staring us all in the face for the rest of this century are not as simple as the great simplifiers among us apparently think.

B. Amateur anticommunism

Now these same people are usually the most active amateur anti-Communists among us, too—not the most effective, but the most active. By an amateur anti-Communist, I mean those among us who are the most virtuous in their militancy, the most vociferous at Birch Society rallies, the most self-confident and strident in their predictions of what the Communists will do next, the most trigger-happy when it comes to brandishing thermonuclear weapons.

I suggest that these amateur anti-Communists may have little or no relevance to the dimensions of the Soviet challenge that actually exists. I suggest that they can have an inhibiting and disabling impact on the creation and implementation of effective anti-Communist policy in the West. They can lead policies into blind alleys; they can cause diplomatic weapons to misfire.

The great simplifiers—the amateur anti-Communists—in fact, leave all the really challenging questions unanswered.

How do we evaluate the changes now going on in the Soviet Union? The amateur anti-Communists can't help us.

Will Khrushchev's successors be better or worse? The amateur anti-Communists aren't interested.

What is the spectrum of pressures, incentives, rejections, inducements, and initia-

tives which we can bring to bear on Soviet foreign policy?

What are the fundamental and what are the peripheral areas in our own policy vis-à-vis the Soviet Union?

How do we change the Kremlin's calculations about our future?

How do we create those conditions in the free world which will convince Soviet leaders that their use of pressure will not help them?

How many rigidities are necessary to keep a policy "firm"? How rigid does the Soviet Union want our policies to be?

To none of these questions do the amateur anti-Communists have any constructive comments or suggestions.

They cannot contemplate the gradual possibility of a fractionalized Communist world without going to pieces themselves.

They are uncomfortable over any notions of complexity or movement inside the Sino-Soviet bloc.

They turn aside when confronted with the actual problems of the Sino-Soviet rift, of formal unity and actual collision, of surface agreement and subsurface fratricide.

Their arguments all point to direct and cataclysmic military action; they undercut the role of policies designed to prevent catastrophe.

They say they would rather be dead than Red. Most of us would prefer to be neither.

When informed of intricacies—that in Iraq, for example, it is possible that there is a Soviet Communist Party, a Chinese Communist Party, and a local Communist Party—the amateur anti-Communists are simply helpless.

They don't know what to do with countries that are supposed to be going Communist and wind up being independent—like Iraq, Egypt, Guinea, and the Congo.

When it comes to the tactical use of American power—a sophisticated application of pressures, toughness here, relative accommodation here, negotiations there, initiatives somewhere else—once more the amateur anti-Communists have few if any recommendations.

When we consider the advantages of a differentiated foreign policy—the manipulation of military, economic, and diplomatic power ourselves to modify actions of the Soviets, to influence their internal allocation of resources, to exert leverage—again there is no helpful advice from the amateur anti-Communists.

By taking comfort in selections from Lenin, the amateurs concentrate full time on the ultimate Communist objective of world domination. In so doing they cut themselves off from the much more important objective of engrossing the Soviets in tactical questions which may help over time to divert them from their long-range strategy.

When we discuss the need for a policy differentiated toward the entire Sino-Soviet bloc, and not just the U.S.S.R., the amateur anti-Communists become positively unhappy. They wish no one to disturb their confidence that the 1 billion people who live under Communist governments are identical, monolithic, mass-minded men. It is unsettling when Tito departs from the Moscow line. It is perplexing when Albania sasses back. It is bewildering when only 10 percent of Polish farmers are collectivized after all these years. It is upsetting when Stalin is dug up and reburied. For the amateur anti-Communist all this is explainable only in terms of gigantic and diabolical trickery by the Kremlin masters; they have no policy suggestions, except to marvel at it all.

When they look at Laos they are the first to cry appeasement. When they look at South Vietnam where, tragically, some

Americans have been and may yet be killed, they talk as if they are determined that we shall fight no more wars except enormous ones.

In fact, they do everything they can to assure that every public question is badly posed.

They wait to see what the Communists will do; if the Communists are for it, they are against it.

They consistently think of the U.S.S.R. as embarked on the highest kind of adventurism, with no appreciation of the obvious Soviet effort to choose low risks over high ones.

They seem unaware of the significant narrowing of choices which has confronted American policy in recent years, unaware that one of our greatest objectives must be to broaden our range of policy choice, achieve a greater freedom for action, burst through the constructing bonds which some of our inherited policies have given us.

They fail to realize that nothing in history is really inevitable until after it happens.

In short, the amateur anti-Communists are conspicuously unhelpful in meeting the real Communist challenge, or in changing it. As the Judge Advocate General of the Navy said the other day, they are about as useful as amateur brain surgeons.

Now there are obviously many things which we will want to do which may not please or satisfy the Soviet Union.

We will want to point out to them that it is easier to coexist if you like each other.

We will want to make it abundantly clear to them that coexistence can take many forms, and that we do not take kindly to the kind the Kremlin has in mind.

• We will want to make it perfectly apparent that we intend to be neither Red nor dead, but that if the very worst comes to the very worst, and the nuclear race gets out of hand, it might be possible for them to be both Red and dead.

With imagination, persistence, and skill, we will want to make it abundantly clear that America, indeed all of the West, is on the move again; that not all the initiatives will be Communist, but that we will be pursuing an increasing variety of initiatives of our own; and that they can expect to have to react to us—to our new defense policy which gives us the means to respond to limited aggressions as well as general war; to our new disarmament policy which proffers a detailed treaty we are prepared to sign; to our deep and enduring commitment to the freedom of West Berlin and southeast Asia; to the prospect of an ever stronger and freer system of world trade; to the rapid economic development of the southern continents; to an active and energetic American diplomacy.

"Our basic goal remains the same," said President Kennedy in his State of the Union message earlier this year, "a peaceful world community of free and independent states—free to choose their own future and their own system, so long as it does not threaten the freedom of others. Some may choose forms and ways we would not choose for ourselves—but it is not for us that they are choosing. We can welcome diversity—the Communists cannot. For we offer a world of choice—they offer a world of coercion."

We are confident that as we move in these directions, our open society with all its democracy and discussion will still be more in tune with the 20th century than their closed society with all its advanced space boosters and obsolete political creeds.

There is finally, however, when all is said and done, at least one good thing about the Soviet challenge and its implications for the West: we simply cannot ignore this apocalyptic appeal, this false vision of a classless

society, this hollow cry of brotherhood, this empty claim of a system based on justice. We shall have no relief from this challenge, and we deserve none.

We in the West will expose the hypocrisy of the Communists most convincingly when we genuinely end our own—when all of us Americans, and not only our Government, help actively to lead the world of freedom into the paths of responsible change—when each of us accepts, as Count Folke Bernadotte so conspicuously did, full membership in the human race—the poor old human race, so largely poor, so largely sick, so largely hungry, and so largely colored.

Only then will each of us be personally qualified, as Bernadotte and others like him were before us, to go out into our generation to stand for the truths that man's future on earth need not be cancelled; that his political ingenuity may still rescue him from ruin; that his moral and ethical standards still are here; that some things, like war and injustice, may seem everlasting, but that these things are everlastingly wrong.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Mr. HUMPHREY. Mr. President, I invite the attention of Senators to action taken by the Agency for International Development, particularly in the area of the Alliance for Progress, relating to the programs which are under consideration and which I believe deserve special commendation.

The Agency for International Development announces the establishment of a credit union development program in Latin America under the Alliance for Progress.

The AID Administrator disclosed that firm agreement has been reached with the Credit Union National Association, which has its headquarters in Madison, Wis., for the establishment of a training center in Lima, Peru, together with pilot development projects in eight countries.

The announcement states that Mr. Fowler Hamilton, Administrator of the Agency for International Development, negotiated, on a cost reimbursement basis, the program which provides for expenditures up to \$160,000 in the first year, and subject to availability, \$150,000 in the second year.

I ask unanimous consent that the text of the release, together with a second release relating to a land reform study contract awarded to the University of Wisconsin, and a third release stating that the Agency for International Development has signed a contract for training in cooperative leadership in Africa, be printed at this point in the RECORD.

There being no objection, the releases were ordered to be printed in the RECORD, as follows:

ALLIANCE LAND REFORM STUDY CONTRACT AWARDED TO UNIVERSITY OF WISCONSIN

A contract to conduct an extensive study of land reform in Latin America under the Alliance for Progress has been awarded to the University of Wisconsin, the Agency for International Development announced today.

Fowler Hamilton, AID Administrator, signed the agreement with university officials today while in Madison, Wis., site of the school.

The land tenure survey in Latin American countries will take place over 5 years, beginning with initial 3-year funding of \$1,250,000.

Dealing with the social, legal, economic, and administrative aspects of the agricultural structure in the countries to be studied, the university's research project is designed to help the U.S. foreign assistance missions and Latin American governments in the land reform objectives of the Alliance for Progress.

In awarding the research contract, AID officials said, the Agency is drawing upon the recognized capabilities of the University of Wisconsin in the fields of agricultural economics, law, and rural sociology.

Much of the study will be performed in the field in certain Latin American countries, with the university using its own research people as well as utilizing personnel from the host nations, AID officials said. The university probably will field three research teams besides conducting other functions of the study at the school's Madison campus according to present plans. It is expected also that selected persons from the Latin American countries will be brought to Madison for advanced training to continue the land reform research.

The University of Wisconsin currently is carrying out another foreign assistance project for AID in India. In a \$691,000 5-year program continuing into 1964, the university is working with the Bengal Engineering College and the University of Roorkee in the fields of engineering and education.

CREDIT UNION ASSOCIATION TO CONDUCT ALLIANCE DEVELOPMENT PROJECT

Establishment of a credit union development program in Latin America under the Alliance for Progress was announced in Madison, Wis., today by Fowler Hamilton, Administrator of the Agency for International Development.

The AID Administrator disclosed that firm agreement has been reached with the Credit Union National Association (CUNA), which has its headquarters in Madison, for the establishment of a training center in Lima, Peru, together with pilot development projects in eight countries. Hamilton is in Madison to address the annual meeting of CUNA tonight.

Negotiated on a cost-reimbursement basis, the program provides for expenditures up to \$160,000 in the first year and, subject to availability, \$150,000 in the second year. The 2-year project will be implemented immediately.

Following establishment of the credit union training center in Lima, trainees will be supplied from programs being organized in eight pilot countries, Peru, Ecuador, Colombia, Venezuela, Brazil, Bolivia, Argentina, and Uruguay. Some training will be conducted within the individual countries.

CUNA hopes to organize 475 credit unions in the eight pilot countries in a 2-year period. Plans call for training an estimated 600 volunteer organizers in 20 seminars of 1 week to 10 days duration at the Lima center. CUNA also plans 25 short seminars for an estimated 400 treasurers and members of boards and committees of the local credit unions.

AID SIGNS CONTRACT FOR TRAINING IN CO-OPERATIVE LEADERSHIP IN AFRICA

The Agency for International Development today signed a contract with the National Farmers Union for the operation of pilot training programs in agricultural cooperative leadership in two African countries. The countries have yet to be designated but one will be in east Africa and one in west Africa.

The contract is designed to activate a training program developed by the three American members of the International Federation of Agricultural Producers. In carrying out the contract NFU will act in behalf of itself, the National Grange and the National Council of Farmer Cooperatives, IFAP's three U.S. members.

The contract authorized NFU to use the facilities of the IFAP in operating the two programs which will serve as demonstration projects in the use of agricultural cooperatives to improve the economy of farmers.

The contract was signed by James G. Patton, president of NFU, and by Edmund Hutchinson, Assistant Administrator of AID for the African area. Signing as witnesses to indicate the formal concurrence of their organizations in the program were Homer Brinkley, executive vice president of the National Council of Farmer Cooperatives, and Herschel V. Newsom, National Master of the Grange. Also witnessing the signing were W. H. Bleshevel of the Netherlands, president of IFAP, and Roger Savary of France, secretary-general.

The contract calls for \$180,000 in funding by AID over a period of 18 months.

Mr. HUMPHREY. I call these items to the attention of the Senate because it is my view that in the field of agricultural development, in particular, the free democratic cooperative movement has a great role to play in the emerging, developing countries, especially in the Latin America area.

I have taken a direct interest in the subject, after having participated in the Inter-American Cooperative Conference at Bogotá, Colombia, last November. I am happy to report that at that conference the representatives of the American cooperative movement took a leading role and were able to offer some constructive proposals, which were adopted by the representatives of all 15 nations. The proposals included working toward the establishment of cooperative training centers for the improvement of managerial services for cooperatives, and also the establishment of an international fund for cooperative development, which would be provided by the cooperatives themselves in cooperation with other private and public sources.

It is my intention to report later to the Senate the developments of the Agency for International Development in the field of credit unions, cooperatives, savings and loan associations, small business development, and other activities which were listed or outlined in the legislation which created the Agency for International Development at the last session of Congress.

ACCOMPLISHMENTS OF FARMERS HOME ADMINISTRATION

Mr. HUMPHREY. Mr. President, the editor of the Aberdeen American-News, of Aberdeen, S. Dak., saw fit to publish an editorial in his newspaper under date of Sunday, April 29, 1962. The editorial is entitled "Hubert Boosts for Big Government." The editorial reads:

HUBERT BOOSTS FOR BIG GOVERNMENT

Senator HUBERT HUMPHREY, Democrat, of Minnesota, the South Dakotan who sought to be President—and who had the support of George McGovern and other of this State's

political leaders in 1960—has expressed concern because one phase of big government is not getting bigger.

The Minnesotan, a recognized leader of the liberals in the Kennedy administration, has urged the Senate to revitalize the Agriculture Department's Farmers Home Administration "to make it a well financed tool for the fight on human misery and for the maintenance of family farms that make maximum contribution to the whole of society." He also urged a larger staff.

"Where the agency once had rather sizable staffs in counties where the need is greatest," the Democratic leader said, "rarely does one now find more than one trained specialist in an office."

"In a way," he continued, "it's a rather bitter comment on the distorted attitude of recent years to note that FHA is practically the only Agriculture agency that has shrunk in size."

Mr. President, I am not certain what the first paragraph was supposed to do in terms of the substance of my message on the Farmers Home Administration, but it is an old trick to stick the knife in as often as one can to draw as much blood as he can.

I am familiar with the house organ of the Republican Party of South Dakota, since I was born there and my parents have lived there for half a century. My mother still lives in South Dakota.

Of course, I consider it an honor even to have my name mentioned, and even to have it spelled correctly, by a newspaper which does not have that reputation for doing things in that way.

I have written a letter to the editor of the Aberdeen American-News, because I believe one of the duties of a newspaper is to attempt to be factual. It does not have to agree with one's views. I recognize that a newspaper editor has every right—indeed, he should exercise that right fearlessly and courageously—to state his personal point of view and his newspaper's point of view on his editorial page. That is what makes a good newspaper. At least, such conduct lends itself to what we call the competition of ideas.

The Aberdeen American-News is a good newspaper. It states its point of view. Its point of view is well known. I am happy to say that it does not greatly influence public opinion in terms of politics, because Brown County, where the newspaper is published, is a Democratic county, even though the newspaper has spent years in trying to make the county Republican.

I addressed a letter to the editor in which I said:

MAY 14, 1962.

THE EDITOR, ABERDEEN AMERICAN-NEWS,
Aberdeen, S. Dak.

DEAR MR. EDITOR: Your editorial of Sunday, April 29, has come to my attention. I wish to correct certain misconceptions which may have reached your readers because of your editorial.

I was not boosting for big government. The purpose of my speech in the Senate was to call attention to the accomplishments of the Farmers Home Administration. I pointed out how the Farmers Home Administration program of farm credit has helped thousands of family farmers through difficult times. I also cited the fact that the Farmers Home Administration has aided hundreds and thousands of rural communi-

ties and large cities by improving farm income. Finally, I asked that the program be reexamined in terms of the credit needs of modern agriculture.

I did recommend an increase in the funds for operating loans, rural housing loans, and farm land loans. All of these loans are repayable with interest. All of them are participated in by the rural private financial institutions. The Farmers Home Administration is not a subsidy program. It does not offer grants or gifts to the farm people. It represents sound financing—much needed credit and good business. The Government has suffered no losses under this program. Loans that have not been repaid have been more than offset by interest payments.

It would seem to me a newspaper serving South Dakota, and particularly the rural areas, would want to support the improvement of our farm credit facilities. I am pleased to report to you that in Minnesota the Farmers Home Administration program works side by side with our private lending institutions and has a friendly reception by farmers and bankers. It has done great good for our country, and deserves a pat on the back and a helping hand.

I respectfully request that you bring this letter to the attention of your readers.

Sincerely,

HUBERT H. HUMPHREY.

I know that the editor will do that; but I thought I might take out a little insurance policy by making certain that the letter also appeared in the CONGRESSIONAL RECORD.

Mr. President, it amazes me how people can be so blind to the needs of the interests and areas that are served by public and private institutions. The Farmers Home Administration is not one of the big government agencies. It started as the Farm Security Administration during the depths of the depression. It offered a hope of rescue and the fact of economic rescue to thousands of farm families. There are people on the land today—taxpayers, productive, responsible, decent wholesome, patriotic citizens—who are successful farmers because they got some help from the Farm Security Administration. Later, the title of that administration was changed to the Farmers Home Administration. It is an agency which has been administered well and without scandal or bitter criticism. It has been supported by Democratic administrations, and it has been reasonably well supported by Republican administrations; and in recent months it has done a very good job in supplying credit—to whom? Many times, to young farmers who need help in making a start.

Not long ago I was pleased to meet with representatives of a group of Minnesota bankers who were visiting in Washington, D.C., and I was pleased to learn of their attitude in regard to these matters. They told me how they work with representatives of the Farmers Home Administration and with representatives of the Small Business Administration, and how they have found that the Farmers Home Administration and the Small Business Administration were becoming working partners in providing needed credit to our independent family farmers and to our independent businessmen.

But, Mr. President, you know, some institutions of journalism are so con-

founded partisan that they cannot sense public need, or cannot even fulfill public responsibility. I do not mind editorials that give me such good copy; as a matter of fact, I suppose the editorial was written in a rather friendly tone. But it never got to the issue; it never got further than stating, in effect, "HUMPHREY is for big government."

But, Mr. President, I am in favor of productivity, prosperity, and freedom for all the people of the country; and that is what the Farmers Home Administration is directed to—prosperity and improvement of our economy and freedom of the citizens—freedom from debt that grinds them into the dirt, freedom from fear that literally paralyzes the people, and freedom to develop and to participate in the economic and the social life of the community.

I, for one, wish to salute again the founders of the Farmers Home Administration and those who now administer it. The only regret I have about my proposal is that there were not enough people to listen to it, and that they did not spread the word across the length and breadth of this land, and also, as of now, because, as a result of disputes between the Senate and the other body, the needed funds are tied up in conference between the Appropriations Committees of the two Houses—I refer to the appropriations for the Small Business Administration and those for the Farmers Home Administration—with the result that today thousands of businessmen are waiting anxiously for loans which have been approved by bankers and by the Small Business Administration, and thousands of farm families are waiting anxiously for loans that have been approved by bankers and by the Farmers Home Administration directors; and yet we stand here paralyzed because we cannot agree on a conference report.

My only regret is that we have not done a better job in these agencies; and I think that in the years ahead we shall sense the need to do a better job.

THE MEXICAN-UNITED STATES INTERPARLIAMENTARY CONFERENCE

Mr. MORSE. Mr. President, last Saturday approximately 26 official delegates from Mexico arrived in Washington for the Interparliamentary Conference between the United States of Mexico and the United States of America. The visit of these Mexican delegates will close tonight, at 8 p.m., at a banquet to be held at the Washington Hotel. On tomorrow they will proceed to other parts of our Nation, and eventually they will arrive at Los Angeles, for further observations which they may wish to make in the United States.

As chairman of the Senate Subcommittee on Latin America Affairs, I wish to take a moment to express on behalf of the subcommittee, and, I am sure, on behalf of the entire committee and on behalf of the Senate as a whole, our very sincere thanks to the Mexican delegates who have been with us during the past

several days, for the wonderful contributions they have made to better understanding, on the parliamentary level, of problems existing between the United States of America and the Republic of Mexico.

The Conference was divided into a series of panels. The reports of the panels and of their deliberations will be made available later on to Congress.

At this time I merely wish to say that in my judgment the Conference brought about honest, frank, and mutual appraisals of the problems which exist between these two great Republics; and I know that my subcommittee and the entire Foreign Relations Committee of the Senate and all who participated in the Conference are greatly indebted to these distinguished Mexican delegates for the splendid work and the wonderful conversations at an official level which they conducted with us during recent days.

Therefore, Mr. President, at this time I merely express my sincere thanks and my best wishes for a continued beneficial trip in our country; and I wish to say that we look forward to the next conference, to be held next year, undoubtedly at some place in Mexico—for a continuation of these interparliamentary exchanges. I believe these interparliamentary exchanges are of great importance in connection with strengthening the bonds of neighborliness in the Western Hemisphere; and I believe them to be absolutely essential if the Alliance for Progress is to succeed in the great objectives which our President has announced and pronounced for it, because in these conferences we come to grips with some of the problems of the Alliance for Progress and some of the misunderstandings which have developed in Latin-America and some of the criticisms which our Mexican friends have in regard to some parts of the program.

Therefore, I wish to make this brief statement at this time to the Senate, in the form of an expression of thanks to the distinguished members of the delegation from the Republic of Mexico.

PROPOSED ABOLISHMENT OF THE DEATH PENALTY

Mr. MORSE. Mr. President, recently I introduced a bill to abolish the death penalty in all Federal jurisdictions, outside the military service.

There has recently come to my attention an article entitled "You and the Death Penalty." It was written by Steve Allen, and was published in the magazine *This Month*.

I ask unanimous consent to have this brief article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOU AND THE DEATH PENALTY

(By Steve Allen)

Permit me to ask you two questions: (1) Do you approve of capital punishment? (2) would you personally pull the switch to electrocute a man?

If you gave both questions the same answer, give yourself a gold star for consistency. If you're in favor of electrocuting, hanging, or shooting your fellow man, however, without having the guts to do it yourself, then in my book you're an illogical troublemaker. The men who are obliged by the State to do your dirty work don't like it and most of them wish to God the American people would put an end to the grisly business. But still it goes on in most States year after year because of a combination of inconsistent hypocrisy, an un-Christian lust for revenge, and plain old-fashioned ignorance.

I can't make you more consistent or more humane, but I can help to dispel your ignorance about capital punishment. The perspective of history shows that it's on the way out. Over the past thousands of years societies have developed many ingenious methods of getting rid of so-called undesirables. Consider only a partial list: drawing and quartering, stoning, crucifixion, burning at the stake, disemboweling, pressing with weights, beheading, stabbing, guillotining, boiling in oil, strangling, beating, shooting, electrocution, hanging, and gassing. Most of these methods have now been discarded. But if only the last four are common today, look in the mirror and ask yourself some questions: Is this record something of which I as a human being can be proud? Why wouldn't I prefer to go all the way and ban them all?

Well, you might answer, it's all ugly enough to be sure, but isn't it still necessary to retain the death penalty because of its deterrent power? The only possible reply is a simple, unqualified "No." Many States and nations have abolished capital punishment without suffering the increase in crimes of violence that some people had predicted. The reason for this recorded fact is that murderers tend to fall into three distinct categories. One is made up of the mental cases. Obviously they don't stop to think of punishment. The second group includes the so-called normal individuals who kill in a moment of passionate rage. Here, too, emotions blind the intellect and caution is cast to the winds. The death penalty never stayed these unfortunate hands. The third group are the professional gangland killers who go right on killing, capital punishment or no.

So there's no really strong argument for the death penalty, as a thousand experts have grown weary of declaring year in and year out. But there are plenty of good arguments against it. Here are just a few:

1. Capital punishment is a degrading hangover from barbarism.
2. Most prison officials are against it.
3. Many innocent people have been put to death.
4. The guys who are executed are the poor, the friendless, and members of minority groups. The rich criminal who gets a good lawyer almost never gets the chair or the rope.
5. The aim of our penal system should be the rehabilitation of the criminal, not his destruction.
6. Juries sometimes let criminals go free because they are reluctant to condemn if the penalty is death.
7. Our religious tradition teaches thou shalt not kill. The only exception is supposed to involve self-defense. Society is already defended when a killer is behind bars.
8. When a society condones gas chambers and electric chairs, that society is basically brutalized.
9. The death penalty cannot undo the original crime. It only adds a killing by the State to the killing by the criminal.
10. Many men are put to death who have not committed murder. Caryl Chessman was only one example.

11. Almost all the churches have come out strongly against the supreme penalty.

Unless you've read Arthur Koestler's book "Reflections on Hanging," you probably don't know enough about capital punishment. Koestler, who was once condemned to die himself, says, "The gallows is not only a machine of death, but a symbol. It is the symbol of terror, cruelty, and irreverence for life—the common denominator of primitive savagery, medieval fanaticism, and modern totalitarianism. It stands for everything that mankind must reject if mankind is to survive the present crisis." Koestler's words are not only a condemnation. They are also a warning.

WHY FRONDISI LOST: CUBA, CONSERVATIVES, AND THE ARGENTINE

Mr. MORSE. Mr. President, in a recent issue of the magazine *New Republic*, there appeared a very fine analytical and penetrating article written by the well-known newspaper correspondent Henry Raymond, whom I regard as one of our best informed writers on the Latin American scene, and who is writing today in the field of Latin American journalism. His article, which was published in the April 9 issue of the *New Republic* magazine, is entitled "Why Frondizi Lost: Cuba, Conservatives, and the Argentine." I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY FRONDISI LOST: CUBA, CONSERVATIVES, AND THE ARGENTINE (By Henry Raymond)

The quiet that settled over Latin America immediately following the controversial Conference of Foreign Ministers at Punta del Este had an ominous meaning to expert readers of the political barometer. There were fears that the meeting's condemnation of Cuba would inflame political passions throughout the hemisphere and make it even harder to move in the direction charted by the Alliance for Progress. These fears were confirmed. The quiet was broken by successive crises in Brazil, the Dominican Republic, Guatemala, Argentina, and Peru.

The arrest of President Frondizi by the military in Argentina is an especially vivid illustration of the failure of the moderate democratic reformer, and of the consequences of U.S. preoccupation with the problem of Castro. Here, in the Argentine, we have a classical prerevolutionary situation; an intransigent, selfish, extreme right, a militant, radical left, and a numerically significant but hopelessly divided liberal center. On the one side, reformist elements are obstructed at every turn by the self-defeating policies of an oligarchy clinging to its privileges. On the other side, Communists and plain demagogues exploit the impatience and deep frustration of millions of indigents no longer willing to tolerate the paradox of ostentatious wealth and widespread misery; democratic reform, they are told, is a tool of "Yankee imperialism"; radical revolution is their only hope.

Most newspaper reports appear to have missed the point by portraying the Argentine election in March as a popularity contest between Frondizi and Peron. Ironically, the voters vindicated many policies Frondizi sought to follow after taking office in 1958. One of his first aims was the pacification of militant, disenfranchised Peronista elements

that had plagued the provisional government of General Aramburu with terrorism and labor unrest. In this he succeeded.

But all Frondizi's subsequent efforts to make concessions to this important political group were firmly resisted by the unyielding coalition of landed and industrial interests and the military. This rightwing bloc scoffed at Frondizi's concern over Peronist strength and denounced it as an artifice to conceal his "Communist sympathies." Not content with having forced the government to adopt strong antilabor measures, the right sought also to preclude any leaning toward the left in foreign policy. It was this that lay behind most of the 35 previous military attempts to overthrow the Frondizi government.

During his campaign in 1957 Frondizi used every device in a crafty politician's handbook to seduce the leftist and Peronist vote. He promised a measure of state control in the economy and vowed never to allow foreign capital to exploit the national oil resources. Such promises in a country on the verge of bankruptcy won him the reputation of a demagog in moderate circles while his conciliatory attitude toward the Peronists earned him the undying animosity of influential army officers and leading conservatives. Still, Frondizi won that election.

Not long after taking office, however, Frondizi shifted to the right. Previous talk of state control gave away to close cooperation with the International Monetary Fund and the U.S. Treasury. With their assistance Frondizi launched a stiff austerity program that was to restore Argentina's economic health and pave the way for rebirth of the free enterprise system that had been destroyed by 12 years of corruption and maladministration under Peron. Perhaps his most dramatic move was opening the inefficient state oil industry to exploitation by foreign companies. The former provisional government of General Aramburu, while dominated by conservatives who paid lip service to the blessings of a free economy, had not dared to do this.

Frondizi's leftist supporters felt he had betrayed them. They knew, too, that his austerity program would mean sacrifices by industrial and white-collar workers, while industry and commerce would reap its immediate benefits. It was an Argentine version of what was good for General Motors being good for the country.

In charge of Frondizi's economic planning was Rogelio Frigerio—ambitious, energetic, known more for his acumen than his scruples. A fairly sharp polemicist who combined a smattering of Hegelian philosophy with a deep knowledge of practical politics and economics, Frigerio had been Frondizi's principal publicist during the 1957 election and his liaison with leading Peronists. To offset the political impact of his unpopular economic measures, Frigerio pressed ahead with efforts to attract the Peronista bloc through a policy of national conciliation. The immediate results were a sharp reduction of the terrorism and sabotage. Believing that minor political concessions to the workers might avert inflationary wage demands, the Government promised to lift the ban on the predominantly Peronist General Labor Confederation (CGT).

When the conservatives got wind of this, they promptly enlisted army support to force Frigerio's dismissal. It was no secret, however, that he continued to be one of the most influential men in the Frondizi administration and its principal contact with the labor groups. By the end of his first year in office, Frondizi had lost most of the leftist following that had helped to elect him, yet he continued to be the target of the conservative press and in constant jeopardy from restive army officers. Only after

the Eisenhower administration publicly hailed Argentina's economic stabilization program as an orthodox example for all other Latin American governments to follow did some of the harassment from the right subside.

For the next 18 months conservative fire centered on alleged efforts by Frigerio to establish closer liaison between the Government and Peronista forces. Actually on several occasions when some papers claimed he was visiting Peron in the Dominican Republic or Spain, Frigerio was conferring with State Department and Treasury officials on further loans.

The advent of the Kennedy administration did little to discourage the Argentine President's enemies. Rightists went so far as to suggest that Kennedy's Latin American specialists were themselves suspiciously socialistic and that the danger of a soft policy toward communism and Peronism was greater than ever. When Frondizi sought to disarm his opponents by stern police action against the Argentine Communist Party, the attacks turned on the supposed friendliness of some of his officials for the Castro regime. To nobody's surprise Frigerio was again singled out as the evil genius. It was of little consequence that the Communists had denounced Frigerio as a national traitor who was handing over the country to rapacious Yankee imperialists, or that the Castro Government leveled some of its choicest insults at Frondizi.

Despite these charges and counter-charges, the country was making slow but steady economic progress, thanks to the stabilization program. Industry was prospering; farm production was rapidly recovering from its slump. The left, however, pointed out that the gains of the workers were in no way commensurate with the rapid acceleration of the businessmen's profits.

Nevertheless, by the end of 1961 the economic gains seemed at least to have had some political resonance. In several provincial elections Frondizi's UCRI scored spectacular victories. In the second largest province, Santa Fe, Frondizi's candidate for governor received 300,000 votes and the only pro-Castro candidate ended fifth with 30,000.

But the Government's victory touched off a new and bitter reaction. This time the rightists turned on Frondizi's alliance with Brazil, Chile, and Mexico in opposing sanctions against Cuba by the Organization of American States (OAS).

To head off what he feared would become a major split in the hemispheric alliance and a highly embarrassing domestic controversy, Frondizi had sent his Under Secretary of State, Oscar Camillon (subsequently ousted by demand of the military), to Washington a few weeks before the Punta del Este Conference to say he saw no practical value in severing relations with Cuba, and that such a step would only expose his government to new charges of domination by Uncle Sam. Frondizi hoped that Washington would settle for the exclusion of Cuba from the OAS, leaving it up to each government to decide for itself how to handle its bilateral relations with Castro.

If some U.S. officials were sympathetic to the suggestion, this was not revealed. At Punta del Este Secretary of State Dean Rusk joined with Peru and the Central American governments in demanding collective sanctions against Castro. Administration officials contended that there was no sense in following a more moderate path if, as a result, Congress would refuse to authorize the funds for Alliance projects.

The Punta del Este Conference quickly produced the anticipated results on the international level, the larger Latin American countries, reluctant to abandon hope that the Cuban question might eventually be settled within the hemispheric community, split with the majority demanding the Cas-

tro regime's outright exclusion. In Latin America the enemies of moderate democratic regimes acquired new ammunition and polarization between right and left was further intensified. In the Argentine Frondizi entered his worst and final political crisis.

If Frondizi agreed to an anti-Cuban boycott there was the danger of new violence by Castro sympathizers and Peronists whose real strength only Frondizi seemed to have assessed correctly. On the other hand, a refusal to vote for Cuba's immediate expulsion from the OAS would exacerbate the military and conservatives.

Frondizi's choice of the second alternative provoked a military demand that diplomatic relations with the Castro regime be broken. At first the President resisted. Addressing a political rally in the province of Parana—one of the 10 that subsequently gave Peronista forces a majority—Frondizi reiterated his decision to stand with Brazil and Chile on a moderate Cuban policy.

When it became clear that the military were determined to seize control on the eve of the elections, he yielded. In the last days of February, Argentina became the 13th Latin American state to cut its diplomatic ties with Cuba. To hostile leftist extremists and Peronists the decision confirmed their charges: Frondizi was a pawn of the State Department.

Actually, the military's ultimatum distressed rather than pleased Washington. During the Punta del Este Conference, the U.S. delegation, in a rare display of tact, had not tried to force a change in Argentina's position; and a fortnight before the elections Washington announced a new \$150 million development credit in a belated attempt to bolster Frondizi. But the military was not appeased. Frondizi had to go.

Two years ago, there was much feeling among the Hemisphere's democratic leaders that the worst danger of Castroism was that it would revive the sentiment that only strong-armed military dictatorships could effectively counter communism. Such a regression to a hated past would, they knew, play right into the hands of the Communists. Why hasn't the right seen this? Yearning for the many-splendored comforts it once enjoyed, the reactionary Latin American elite not only disregards the ominous signs of discontent and social revolution throughout the continent; it also refuses to accept the compromises essential for its own survival. Yet short of an impossible return to the feudalistic practices of unlimited profit and heartless exploitation, the right has everything to gain by the success of the moderates.

Frondizi, for example, restored the confidence of international capital in Argentina, stimulated industrial growth, and expanded lagging beef and grain production. To do this within the framework of a free enterprise system the Government had to take many orthodox economic measures that were highly unpopular with a labor force that for years had been spoiled by the empty promises and demagoguery of Peron. Frondizi knew this, but his attempt to soften the austerity measures and thus regain the confidence of the workers encountered immediate warnings of military action from the right. A like fate befell any hint of concessions to the left in foreign affairs.

To many, it was inconceivable that after the April 17 Cuban invasion fiasco and the slow start of the Alliance, Washington should have agreed to another sterile diplomatic exercise at Punta del Este, when leaders of the largest Latin American countries had warned that this would have dire effects on their internal stability. The argument that the U.S. Congress is angry and demands a tough policy on Cuba shrinks to insignificance when one considers what the legislative mood would be should Argentina or Brazil go Communist.

CAPTIVE CUBA?

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed at this point in the *Record* an article entitled "Captive Cuba?" The article also was written by Henry Raymont, and was published in the April 16 issue of the magazine *New Republic*.

There being no objection, the article was ordered to be printed in the *Record*, as follows:

CAPTIVE CUBA?

On March 26, Fidel Castro made one of those unpredictable, 3½-hour television appearances which, in the early phase of his rule, used to confuse his followers and foreign observers alike. This was a speech to think about, and one that had only fragmentary mention in the U.S. press. Party leaders were denounced for creating a government within a government; the new Integrated Revolutionary Organization (ORI) was told to stick to its ideology and leave the running of the state to Castro and his administrators; Cuban Communists were excoriated for having lost touch with the masses.

Appealing directly to the people he claims are solidly behind him and portraying himself as the self-effacing populist leader, Castro attacked his rivals for forming cells and cliques. "So, then," he said, "how were the cells set up? I am going to tell you. The secretary general of the PSP (Communist Party) was made secretary general of the ORI in each municipality." Thereafter, members of the PSP were made secretaries general of every cell. "Is this communism? Is this Marxism? Is this socialism? This is arbitrariness; this is abuse; this is privilege. All these things—whether or not this is communism—will make people say what Indio Hatuey said. When Hatuey was being burned alive, a priest approached him to ask him if he wanted to go to heaven. Hatuey replied: 'No; I do not want heaven if this is heaven.' Do you understand? I must speak clearly."

To those familiar with past Castro oratory the allusion to the legendary Indio Hatuey was significant, for this is the same anecdote Castro has used again and again in denouncing imperialism, capitalism, and the church.

No matter what ideological embellishments Castro gives his dispute with old guard Communists (sectarianism, dogmatism), he leaves no doubt that he personally resents their contempt for the naive policies of the Cuban revolutionaries: "Why have we been discussing this problem of the Soviet Union? Well, we can say to inform ourselves. To inform and to discuss, yes. Those are problems that have to do with the experiences of Marxism, but we did not have to convert it into the central subject of our discussions, because we have some things much more important to discuss. This is something similar to our embarking on a great campaign against the bubonic plague when in reality what we have is malaria and polio."

Recalling how he had admonished those who fought with him in the mountains against setting themselves up as an elite, Castro derided as absurd the boasts of old Communists of their militancy and their efforts to retain privileged positions in the new organization: "What could that engender if not conditions that would cultivate for the old Communists the antipathy or resentment of the masses. . . . They thought they had won the revolution in a raffle. They forgot the blood, the sacrifices that the revolution cost. I will give some examples." And he did.

There was the case of a Communist late-comer made secretary of the regional committee of Bayamo, one Fidel Pompa (a dig at the pomposity of the Communist leaders or a real name?) who was not only unfam-

iliar with the achievements of revered revolutionary heroes, but threatened to sweep out any official who was not a devoted Marxist. "Gentlemen like that Fidel Pompa are not the only ones, there are others and they are the ones we must sweep away."

When he spoke of some 100 rebel Army officers deprived of their commands by party bureaucrats for being of a low political level, Castro said: "What low political level? How can a man have fought for the Socialist revolution and afterward be told that he who fought and struggled for that revolution and was loyal to it, who in moments of vacillation did not hesitate . . . who mobilized when the mercenaries came, and died fighting them after having declared that this revolution was Socialist, be told that he cannot command troops because of a low political level?"

When he appointed the late Camilo Cienfuegos, one of the most popular revolutionary figures, to lead the victorious march on Law Villas, Castro "did not ask him to recite Das Kapital. . . . Perhaps now through these paradoxes and these ironies somebody would have come to examine him in Marxism-Leninism and suspended him and he would have given the command to any college man who may have had a little military education. . . . I say that is nonsense, an injustice, a policy lacking in all sense of proletarian Marxism-Leninism. . . . Those individuals who speak so much rubbish must be shot up at once."

This is a radical change of style and mood from last December 2 when Castro pliantly, humbly acknowledged in an uncharacteristic written speech that "we did not understand the objective conditions. . . . We did not interpret the reality. We made an error."

What is the explanation of the change? Possibly the very thing that Arab, Israeli, Canadian, Yugoslav, Mexican, and Brazilian diplomats had been hinting to the State Department—that the temptation to seize absolute power would be too great for the militant Communists to resist, and that Castro would come to realize that his leadership was in serious jeopardy.

Heretofore, the fatalistic argument has been advanced that Castro is wholly dependent on the Communists, organizationally and militarily. This may have been the case in Eastern Europe where postwar Communist leaders were installed by, and were directly dependent on, the Soviet Army. But the Castro regime still looks to its heavily armed workers and peasants' militia for support. Nor can one disregard the competence of his young economic and administrative team of nationalist—and Communist—Latin Americans headed by Ernesto Guevara, whose loyalty to Castro is likely to endure, should there be a real split.

If, since March 26, Castro has not gone beyond ousting from his party Anibal Escalante, one of the top Communists, and reshuffling the leadership of the ORI to place his loyal followers back into key positions, one may surmise that Soviet oil and other shipments vital to his depressed economy is an inhibiting factor. Food, petroleum, and certain consumer goods are subject to strict rationing. Though the 40 percent drop in this year's sugar harvest is part of a planned crop diversification program, its effect on Cuba's balance of payments has been somewhat greater than anticipated.

Will Washington take the hint? Castro's March 26 speech was conspicuous for its omission of any reference to Yankee imperialism or Wall Street aggression. It is of some significance too that the anti-Yankee diatribes of his press and radio have been noticeably toned down, and that Castro only last week promptly released, and with exceptional courtesy, the six American skindivers who under different circumstances might have been held and tried as

CIA agents. If Castro's offer to set free the 1,179 Cuban invaders for individual ransoms totaling \$62 million is callous, it can be said also that the death sentence was not imposed, that the sum in question may be negotiable, and that the amount may conceivably be no more than was earlier spent to equip, train, and launch the invaders on their ill-advised expedition of last April 17.

To date the United States has lectured Castro, censured him, punished him—as if a revolution such as his were a delinquent child. It has toyed with new schemes for forcing his downfall, though the regime that succeeds his might prove even more intractable. A fresh look at Cuban policy by the United States will not produce a sudden miracle of reconciliation or an overt rupture between Cuba and Moscow or Peking. Marxism-Leninism is the only social philosophy in terms of which the Cuban rulers can currently think or act: the Yugoslav parallel comes to mind. But the ideological commitment of the Castro leadership will in the long run have to be squared with the Cuban national interest. In its sugar policy (New Republic, May 15, 1961), the United States has a potentially powerful lever for encouraging Castro in an independent course. The changing climate in Havana offers an occasion to test Castro's intentions and to explore the economic bargains which might loosen the ties that bind his foreign policy.

LATIN AMERICA

Mr. MORSE. Mr. President, because I believe it so important, for the information of the Senate, to have printed in a group in the *Record* the various articles on Latin America to which I now have reference, I also ask unanimous consent to have printed in the *Record* an article entitled "The Atlantic Report—Latin America," which was published in the May 1962 issue of the *Atlantic Monthly*.

There being no objection, the article was ordered to be printed in the *Record*, as follows:

THE ATLANTIC REPORT—LATIN AMERICA

Ever since World War II thoughtful Latin Americans have implored Washington to undertake a long-range policy toward their region. Instead, U.S. policy in Latin America—if policy it can be called—has been a succession of hastily improvised responses to various local crises. The main aim has seemed to be the maintenance of the status quo. The advent of the Kennedy administration brought high hopes to liberal democratic leaders in Latin America who had long advocated a broad, positive approach to the economic and social dislocations that are the underlying cause of the area's political instability.

Kennedy and his advisers established close contact with such prominent liberal figures as Governor Luis Muñoz Marín of Puerto Rico and President Romulo Betancourt of Venezuela, rejected the old policy of supporting dictators, and went firmly on record as favoring reform as the most effective answer to communism.

Barely 2 months after he took office, President Kennedy, on March 13, 1961, announced an ambitious 10-year program to be known as the Alliance for Progress. He described it as "a vast effort, unparalleled in magnitude and nobility of purpose, to satisfy the basic needs of the American people for homes, work and land, health and schools." When the hemisphere's finance ministers met the following August to begin implementation of the program, three disturbing questions quickly came into focus.

First, is Congress willing to support the President's request for the vast funds to

finance the Alliance? The administration is asking Capitol Hill to authorize \$3 billion in Alliance aid for the next 5 years, despite considerable opposition to expanded foreign-aid spending. Many legislators think that aid should be withheld until Latin America makes a more determined effort at tax and land reforms, and some object to helping countries which oppose U.S. policy on Cuba.

Second, will the United States and Latin America be able to revamp their bureaucracies, which for years have delayed the formulation and execution of new policies to cope with mounting revolutionary pressures? Men who possess not only high technical competence but also dedication, ideological preparation, and superior intelligence will be needed both in North and South America to implement the ambitious goals of the Alliance.

Third, can Latin American leaders press ahead with social and economic reforms against the resistance of powerful vested interests that still exercise considerable political and financial influence? In Argentina, for example, supporters of Dictator Juan D. Peron, who was deposed in 1955, won a surprise victory in the elections held last March. Peronists, with the backing of Communists, claimed that President Frondizi had sold out to "Yankee imperialism," and Peron himself accused the United States of meddling in Argentine affairs.

Actually, the election results and the crisis that followed can be seen in an ironic way as vindicating Frondizi's insistence that concessions to the left had to be made in order to win over the substantial number of workers who still yearned for the autocratic Peron regime. His failure can largely be traced to the unyielding attitude of the powerful right-wing coalition of landed interests and army leaders. Not content with Frondizi's conservative economic policy, the army forced him to break relations with Cuba a few weeks before the election.

The ultimate success of the new United States-Latin American policy hinges on the answers given, in time, to these questions. It would be unrealistic and misleading to expect conclusive results immediately. Two decades of neglect, misunderstandings, and halfhearted efforts represent a legacy that cannot easily be overcome.

A HOLLOW VICTORY

When, less than 4 months after launching the Alliance, the Kennedy administration came out in favor of a conference of foreign ministers to discuss Cuba, it seemed that the old pattern of jeopardizing a positive long-range program for quick political expedients was reasserting itself.

For many Latin Americans, the logic of the Punta del Este conference could be found only in the pressures the U.S. Congress was exerting on the eve of consideration of the budget. With military intervention against the Cuban regime ruled out as a violation of the Charter of the Organization of American States, and with the firm opposition of six of the larger nations to diplomatic sanctions, there seemed little to be gained from another high-level diplomatic meeting.

But Castro's own inadequate understanding of the nuances of hemisphere politics helped save the situation from being a total failure for the United States. His continued threats to promote unrest elsewhere in Latin America caused Colombia and Venezuela to line up with Peru and the Central American countries that were demanding stiff action against the Cuban regime.

These factors, combined with the skillful and patient negotiations conducted by Secretary of State Dean Rusk, brought a unanimous declaration by the foreign ministers that Cuba's Marxism-Leninism was incompatible with the principles of the inter-American system. Yet the substantive resolution to exclude the Castro regime from the

OAS received only the minimum two-thirds majority of 14 countries, with Argentina, Brazil, Chile, Mexico, Bolivia, and Ecuador abstaining.

Secretary Rusk's claim that this kind of dissent was a "vivid demonstration of the democratic process of a vigorous community of nations" sounded hollow to Latin American diplomats aware of the strenuous efforts by the Kennedy administration to achieve unanimity.

SECRETARY RUSK'S PERFORMANCE

Perhaps one of the most positive results the United States achieved at the conference came in the unpredictable field of human relations—the esteem and respect engendered by Secretary Rusk and his team. The eloquence and progressive tone of Rusk's speeches, as well as the tact and patience he displayed during 2 weeks of difficult negotiations, served to emphasize to the Latin American delegations a new style and content in U.S. foreign policy.

Until quite recently, hemispheric support for Washington's policies on basic East-West issues had been taken for granted. U.S. spokesmen generally addressed inter-American conferences with sophomoric warnings about the dangers of "atheistic communism" that Latin American statesmen regarded as an insult to their intelligence.

By contrast, Mr. Rusk's principal speech was an articulate blend of affirmations of Jeffersonian democracy with a careful analysis of the discrepancies between Communist rhetoric and achievements. He deflated Cuba's angry claims that the "monopoly-controlled U.S. Government" was opposed to the Castro regime purely because of the economic losses suffered by private U.S. interests, when he asserted that "Many of us . . . would have had no quarrel with changes in the economic organization of Cuba instituted with the consent of the Cuban people. Our hemisphere has room for a diversity of economic systems."

This recognition of Latin America's economic autonomy was coupled with a scrupulous understanding of its mood of nationalism and independence. Accordingly, despite strong pressures from important congressional spokesmen, the Secretary at no time invoked the threat of curbing economic aid to countries refusing to endorse the expulsion of Cuba. In turn, Rusk found that, notwithstanding the impressive catalog of errors compiled by Washington's Latin American policy, there continues to exist a vast reservoir of good will toward the United States, every bit of which will be needed to wage the long and difficult fight to achieve progress with a minimum of turbulence.

STRENGTHENING THE OAS

The overriding lesson of the foreign ministers' meeting is that the Kennedy administration, while it reflects a carefully prepared, well-balanced policy in the economic field, has not yet shed the habit of improvising when it faces complex political issues in Latin America.

There were some farsighted officials who hoped that the United States would take the leadership in strengthening the faltering political machinery of the OAS. They believe that by more thorough and imaginative legal planning the U.S. delegation could have proposed a structural revision of the inter-American system that would have excluded all dictatorships from its membership and not limited the conference to the immediate issue of Cuba. Although the OAS charter is dedicated to the principles of democracy and human freedom, for years the organization included representatives of brutal dictatorships, on the grounds that to reject them would have jeopardized the doctrine of nonintervention. The same arguments that prevented an effective censure of the Trujillo regime in the Dominican Republic were invoked by Cuba to explain the

paradox of how it could become a Marxist-Leninist dictatorship and still stay in the OAS.

It is not surprising, then, that the organization's insistence on civil liberties and democracy rings false to millions of Latin Americans, even though in Washington the OAS acquired the reputation of being an extraordinary political institution and the pioneer of all other Western regional security arrangements.

The Kennedy administration is fully aware of the deficiencies of OAS and looks to Felipe Herrera, the energetic Chilean director of the Inter-American Development Bank, for effective leadership in the vital economic plans now being formulated under the Alliance for Progress. The shaping of U.S. economic policy in Latin America has been more the work of high White House aides and of Teodoro Moscoso, the coordinator of the Alliance program, than of the State Department professionals.

PAY ON PERFORMANCE?

The Alliance is a cooperative undertaking, divided between Latin American measures of self-help and domestic reforms and the supply of U.S. capital and technical knowledge. From the outset it was plain that the ambitious program would antagonize certain traditional economic groups both in Latin America and in the United States. But U.S. insistence on reform has created a favorable impact among the rising class of young, energetic technicians and professionals who may soon be governing the hemisphere.

The start of the self-help approach has been, admittedly, slow in many countries. Moscoso is nevertheless opposed to setting rigid criteria of rapid performance as a condition of aid, on the grounds that it may lead to dangerous political situations. At the same time, he seeks to encourage individual countries to adopt far-reaching tax and land reforms and to take vigorous steps toward low-cost housing through public building institutes, savings and loan associations, and educational and health assistance.

In many cases, the financing of these social projects has run into difficulties. The most stubborn obstacle, perhaps, was Latin America's chronic problem of budgetary deficits, arising from heavy government commitments to nonproductive public expenditures and subsidies for public services, which required the diversion of U.S. aid to prevent serious fiscal repercussions.

Neither the administration nor Congress liked the idea of using Alliance funds for supporting internal budgets, but it was acknowledged that development projects could not be carried out to full advantage in the midst of chaotic economies threatened by social strife.

There is some hope that as the younger economists and professionals begin to exert a stronger influence on the Latin American elite, more enlightened policies will follow, and the vast funds—estimated to be as much as \$100 billion—now in Swiss banks or U.S. securities will gradually be restored to their rightful place in the national economies.

For the time being, the administration is inclined to follow a flexible policy in its aid program. It believes in Moscoso's contention that the Latin American leaders themselves must be persuaded that they hold the greatest stake in the successful outcome of the Alliance.

ADDRESSES BY AMBASSADOR DE-LESEPS S. MORRISON, U.S. REPRESENTATIVE ON THE COUNCIL OF THE ORGANIZATION OF AMERICAN STATES

Mr. MORSE. Mr. President, I wish to speak very briefly in paying a well-deserved commendation to a dedicated

public servant of the U.S. Government, our Ambassador to the Organization of American States. I refer to Ambassador deLesseps S. Morrison, who represents the United States of America in the Organization of American States. He was one of the members of the American delegation to the recent Punta del Este conference in Uruguay. He is doing an exceptionally able job for us in the Organization of American States. He was a very able delegate at the Punta del Este conference.

Good evidence of the great ability and the intellectual power of this excellent public official is shown by two speeches which he made recently—one at Marquette University, in Milwaukee, Wis., on April 16, when he dealt with some of our Latin American problems; and the other which he delivered at a banquet of the Association of International Relations Clubs, at Hope College, in Holland, Mich., on April 9. I ask unanimous consent that both of these speeches be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

ADDRESS BY AMBASSADOR DELESSEPS S. MORRISON, U.S. REPRESENTATIVE ON THE COUNCIL OF THE ORGANIZATION OF AMERICAN STATES, MARQUETTE UNIVERSITY, 7 P.M., MONDAY, APRIL 16, 1962, MILWAUKEE, WIS.

Ladies and gentlemen, it is a distinct honor for me to be here in Milwaukee tonight and to have this opportunity to talk to you on a most serious subject—namely, Latin America, its problems, and its hopes for the future.

I say "serious" because I firmly believe that the problems of Latin America are of urgent concern to each and every citizen of this country. It's high time that we stop thinking of Latin America in terms of *senoritas*, *sambas*, and *siestas*—and start thinking in terms of people, problems, and its progress.

For the sad truth is that although we have long been fascinated by Latin America, until a few years ago we really didn't know much about it. And what we knew tended to be superficial—and, in some cases, erroneous.

This situation was, perhaps, inevitable for during our period of "manifest destiny," we looked east toward Europe for economic and cultural kinship. Indeed, the history of our country is basically the history of our development on an east-west axis. Horace Greeley's famous advice to "go West, young man" was perfectly logical considering the fact that the new frontiers—and therefore the new opportunities—of that time were in the vast lands west of the Alleghenys.

But increasingly in recent years—and particularly in the last decade and a half—the axis of opportunity has been shifting. It has shifted from east-west to north-south. This, too, was inevitable, for the history of the world has always been the history of individual men seeking new frontiers—and there can be no doubt that the new frontier of the coming half century is the vast area to our south known as Latin America.

A frontier—almost by definition—is a region in ferment—a vast area—bustling, growing, alive with a new spirit and a new hope. Latin America is no exception. Its population is expanding at a fantastic rate. The skylines of its cities are being altered almost beyond recognition. New businesses and new industries are springing up.

Yet, at the same time, there is a reverse side of the coin—a darker side. For along with—and partially because of—this new

growth are new challenges and new problems.

It was to meet these challenges and to solve these problems that the Alliance for Progress was conceived. In a very real sense, the Alliance for Progress represents the future of Latin America at a very critical time—in somewhat the same way that the Marshall plan represented the future of Europe a few short years ago when all of Western Europe was in grave crisis.

At the outset, I wish to make it quite clear that the Alliance is not an exclusively U.S. program. It is just what its name implies: a cooperative effort freely joined by free peoples—20 republics voluntarily committed to help each other and to help themselves in the solution of their individual and mutual problems.

It was originally proposed by President Kennedy in March 1961—just over a year ago—and it really got started at the now-historic meeting of the Inter-American Economic and Social Council this past August in Punta del Este, Uruguay.

The overall purpose of the Alliance for Progress is to marshal the democratic forces of this hemisphere in an all-out campaign against poverty, illiteracy, social injustice, and human misery.

Specifically, its major goals are as follows:

1. To guarantee that the economic growth in each Latin American nation be at least 2½ percent per capita per year—a vast undertaking when we consider the population explosion that is taking place throughout the area.

2. To reform tax systems in the various countries to not only insure needed revenues but also to distribute tax burdens more fairly.

3. To institute programs of agricultural reform for the dual purpose of increasing productivity and of achieving a more equitable distribution of land.

And, finally, to raise the standard of living of the people of Latin America by creating new job opportunities, improving public health, developing low-cost housing, controlling disease, eliminating adult illiteracy, and assuring each child a minimum of 6 years of schooling.

Of paramount importance in achieving these goals is a vitally necessary principle—that of "self-help." For outside help cannot do the job alone. Further, we have learned by experience that the United States cannot help people who basically do not want to help themselves. They must make the effort, supply the desire and initiative, put up a good share of the money themselves, and they must accomplish the basic internal reforms. Otherwise, our aid will merely make the rich richer—and the poor poorer.

A program of such enormous magnitude, importance, and vision as the Alliance for Progress has a major meaning for every American citizen.

In the first place, the program affects an area threatened by international communism—a subject of the deepest and gravest concern to the people of the United States in an area closest to our national security.

Secondly, it involves the expenditures of vast sums of money—and, as I will discuss later, a substantial amount of that money comes from taxes paid by U.S. taxpayers.

Finally, any program which has for its central theme the bringing about of a far-reaching economic and social revolution invariably means much controversy.

For, ladies and gentlemen, we are dealing here—not with theoretical means to achieve remote ideals—but with urgent problems requiring urgent solutions. And what is at stake is nothing more and nothing less than the future of Latin America and, indirectly, the future of the entire free world.

What are these misconceptions and misunderstandings?

1. The charge that the Alliance for Progress is "just another giveaway program" whose only aim is to "pour more U.S. tax money down the rathole."

2. The charge that the program is "bogged down"—either at the U.S. end or in Latin America or both.

3. The charge that the "self-help" aspects of the program are a scheme to "rob the rich and give to the poor."

All three charges are, of course, untrue.

The truth of the matter is that the Alliance for Progress is not a "giveaway program" at all. It is a partnership—involving a total expenditure of some \$100 billion—and 80 percent or more of this figure will come from the Latin American countries through their essential self-help part of this mammoth undertaking.

Let's take a look at the other 20 percent.

At the Punta del Este conference last August—it was estimated that Latin America would need at least \$20 billion from outside sources over the next 10 years—that is, a minimum of \$20 billion.

This \$20 billion represents not only public but private funds as well. For one of the most serious needs of Latin America is increased industrialization, much of which can only be supplied through the infusion of foreign risk capital from the United States, Europe, Japan, and other industrialized areas of the world.

Of the public funds involved, most of the money will have to come from the United States. It is true that some of it will be in the form of direct grants and technical assistance, but the bulk of the money (more than 80 percent in fact) will be in the form of long-term loans with little or no interest. The new Agency for International Development, the Inter-American Development Bank, the Export-Import Bank, the World Bank—all will have a part.

So the charge that the Alliance for Progress is just another "giveaway program" simply isn't true.

It is well to point out here that investments, grants, technical aid, and loans represent only part of the answer to the problems that plague Latin America.

For imbalances of payments, inflation, and economic stagnation are additional problems.

To get at the heart of these problems, we must go deeper. We must seek the real illness—and we must realize that the cures, if they are to be found, must be effected within the framework of Latin American culture and attitudes, and not within the framework of North American attitudes. We must remember that North American methods do not necessarily answer Latin American needs.

We must keep in mind, first of all, that Latin America was colonized by the Spanish, the Portuguese, and (in the case of Haiti) the French. By and large, its laws, its institutions, and its traditions are Iberian—not Anglo-Saxon. This central fact has produced basic differences between ourselves and the people of Latin America.

With your permission I would like to read two quotes from prominent Latin Americans which touch on this point. The first is from a speech given a few years ago by Dr. Alberto Lleras Camargo, who is now President of the Republic of Colombia, but who at that time was president of the University of the Andes in Colombia.

In speaking of the differences between our peoples, Dr. Lleras maintained that they did not "prevent us from being good friends, good neighbors, and good partners." In fact, he said, "A polite and, what is more, really friendly acceptance of the fact that we are different—not from sheer caprice, not for the hell of it, not to spite each other—but from deeper and more serious causes, will, if we study these causes, contribute a great deal to the cementing of a good understand-

ing between the peoples of the Americas (since fortunately, there already exists, on these very foundations, a good understanding between the governments).

The second quote is from Dr. Galo Plaza, the former President of Ecuador, who in discussing the basic difference between the American Revolution and the various wars of independence in Latin America, said, "You in the United States had your war of independence 185 years ago. It was a complete revolution from the President down to the humblest farmer, who participated in the war of independence, participated in the fruits of victory, and achieved complete change—politically, socially, and economically."

"This did not happen in Latin America. True, we had our revolutions starting about the same time and continuing until 60 years ago. We threw off the yoke of our 'mother countries'—Spain, Portugal, and France. But our revolutions were incomplete—there was political change, but we merely replaced one set of rulers, foreign style, with another group, domestic style. The rank and file of the people did not participate in these wars of independence and they did not basically share in the victories. Their lot was unchanged—they continued to live in poverty and misery as they had for centuries."

"Thus today, the spirit which is sweeping Latin America is a vast ground swell of sentiment in favor of completing the 'incomplete revolution' of many years ago. In plain words, the rank and file of the people want the same economic and social changes which you in the United States have enjoyed for well over a century."

Needless to say, gentlemen, the task is a massive one. For under the Alliance for Progress the nations of Latin America hope to accomplish in only 10 years—what more advanced industrial societies have achieved through a century or more of development.

But I can assure you that a real start has been made, and that we are pressing forward.

When we speak of "reform," it is essential that we understand exactly what it means, for as I have mentioned, there are those who have equated reform with a policy of "robbing the rich and giving to the poor." Such a policy is, of course, not the exclusive property of Robin Hood. It is also the sterile and empty promise offered by the Communist—a promise that has demagogic appeal when shouted from street corners—but which has failed miserably in practice.

So-called land reform is a good example.

By land reform, the Communists claim they mean taking land from those who have it and giving it to those who don't. What they actually mean is taking land from those who have it and keeping it in the hands of the all-powerful state. For in a pure Communist state, no one owns anything. It all belongs to the state. The result is usually an unworkable mess—as was indicated recently in the so-called Communist paradise of Cuba which is now facing a critical food shortage.

When we talk about land reform, however, we mean something far different. It is true that our definition involves a more equitable distribution of land—an attempt (and a vitally necessary one) to provide the same opportunity for the campesino that was available to our forefathers. But we also mean the employment of every tool at our disposal to enable the farmer to increase the productivity of his land as well as to provide the means to move his products to market.

In other words, we mean such key items as the institution of a system of trained county agents to teach modern farming methods, the construction of modern irrigation and drainage systems to increase the amount of arable land, the diversification of one-crop economies, the construction of modern food-processing plants and adequate

farm-to-market roads, and all the other necessities of a modern agricultural economy. In short, we mean agricultural reform rather than land reform—a massive national effort that will not only give small farmers the opportunity to own their own land, but, equally important, a chance to provide a good living for themselves and their families.

I am often asked if Latin American efforts toward self-help reforms are meeting with any success. The answer is, "Yes." Agricultural reform is a case in point.

Venezuela has already resettled 40,000 families on 3 million heretofore unproductive acres. Colombia has just enacted far-reaching agrarian reform legislation. Costa Rica has likewise passed reform measures, and Guatemala has a limited program underway. Bolivia and Mexico are continuing well-established existing programs. Legislation to deal with the problem has been introduced in Chile, Brazil, Peru, and Nicaragua while similar measures are under study in Honduras, Ecuador, and Panama. In El Salvador, farm credit agencies have been established and laws specifying minimum working conditions for farm labor have been passed.

Agricultural reform is, of course, only one of many self-help areas. Another is tax reform which involves not only the problem of overhauling tax systems to distribute tax burdens more equitably, but, just as important, the problem of providing modern administrative machinery for the impartial and conscientious collection of existing taxes.

Here again, progress is being made and examples can be found in such countries as Bolivia, Venezuela, Colombia, Peru, Argentina, Costa Rica, Ecuador, Uruguay, Mexico, El Salvador, Guatemala, Panama, Chile, Brazil, and Nicaragua.

And, finally, and perhaps most important, is the key area of long-range development planning. For without a plan—without an orderly system of pinpointing specific goals and assigning priorities—the impetus of any program can be lost. This is particularly true in a long-range program such as the Alliance for Progress.

Colombia, Bolivia, and Chile have already submitted long-range national plans to the OAS, and Venezuela is expected to submit theirs within the next few days. In addition, Honduras has submitted a short-range plan, and Panama's short-range plan will be presented in the near future. Planning in all other nations is proceeding according to their agreements at Punta del Este.

So the nations of Latin America have made a real start toward instituting needed reforms.

At the same time, the United States is also fulfilling its obligations under the program. In the first year of the Alliance, we have already committed \$1 billion from public funds—\$1,065,053,000 to be exact.

Approximately \$415,111,000 was committed through the Agency for International Development—\$376,724,000 from the U.S. Export-Import Bank—\$133,182,000 from the U.S. Social Progress Trust Fund administered by the Inter-American Development Bank—\$135,795,000 in funds from sales and grants of surplus commodities in Latin America under the food-for-peace program—and \$4,241,000 from such other sources as the Peace Corps.

I would like to point out that approximately 87 percent of the total figure is in the form of long-term development loans—and only 13 percent is in the form of grants.

So the Alliance for Progress is off to an excellent start. It is most certainly not bogged down in any sense.

But I think that we should continually remind ourselves that the Alliance is a long-range program. To see it through to successful completion will require hard work, dedication, patience, and a healthy measure of good old American horsesense. For

there will be times when the going will be rough—when the headlines will seem discouraging. On these occasions, I urge you to read the small print carefully and I urge you to get the facts. For it is essential that we understand the exact meaning of current happenings in Latin America.

It was four and a half centuries ago that the Conquistadors of Spain came to the New World seeking a dream: El Dorado—the fabled city whose streets were paved with gold and silver and precious stones. For almost a hundred years, they roamed the plains and forests of two continents—they explored rivers and crossed hills and towering mountain ranges—and always El Dorado eluded them. And, finally, in the end, they went home to the Old World—their wanderlust sated—their dreams unfulfilled.

But in their wake came other people—insignificant, humble people who tilled the soil and worked the mines and performed the 10,000 small tasks of empire. These people built houses and raised families. Together with the Indians who had been there before them, they hacked plantations and farms from the wilderness; they built roads; they built towns. And the people grew in numbers and the towns spread out across the land until they became mighty cities and great towers thrusting into the sky. Governments rose and fell; leaders were born, ruled, and died. Some of them ruled wisely—and some did not. But the people endured. They endured invasion and revolution—depression and dictatorships—earthquakes and epidemics—fire, floods, and famine until today the people of Latin America are on the threshold of a new era in their long heroic history. But their dreams of a better life for themselves and for their children are as ancient as the land they live in.

It is our promise—the promise of the Alliance for Progress—that these dreams can and will be translated into reality.

The winds of change are sweeping through Latin America with an irresistible force. President Kennedy has said that "those who make peaceful revolution impossible—make violent revolution inevitable." The leaders of Latin America know this. We know it also. Together we have pledged to assist the people of this hemisphere in achieving their dreams—with our resources, our skills, and our political and moral support.

For we believe that El Dorado can and will be found—not the El Dorado of the Conquistadors—but an El Dorado far more precious: the unconquerable spirit of a free people with hope for the future and unlimited opportunities for themselves and for their children.

Thank you.

ADDRESS BY AMBASSADOR DELESSEPS S. MORRISON, U.S. REPRESENTATIVE ON THE COUNCIL OF THE ORGANIZATION OF AMERICAN STATES, BANQUET MEETING, 15TH ANNUAL CONFERENCE ASSOCIATION OF INTERNATIONAL RELATIONS CLUBS, HOPE COLLEGE, HOLLAND, MICH., MONDAY, APRIL 9, 1962

Distinguished guests, representatives of the more than 600 chapters of the Association of International Relations Clubs, ladies and gentlemen, my subject tonight is Latin America and, specifically, President Kennedy's all-important Alliance for Progress program. For, in a very real sense, the Alliance for Progress represents the future of Latin America—in somewhat the same way that the Marshall plan represented the future of Europe a few short years ago.

At the outset, I wish to make it quite clear that the Alliance is not an exclusively U.S. program. It is just what its name implies: a cooperative effort freely joined by free peoples—20 republics voluntarily committed to help each other and to help themselves in the solution of their individual and mutual problems.

It was originally proposed by President Kennedy in March 1961—just over a year ago—and a set of general goals and policies were established by the participating countries at the now-historic meeting of the Inter-American Economic and Social Council this past August in Punta del Este, Uruguay.

The overall purpose of the Alliance for Progress is to marshal the democratic forces of this hemisphere in an all-out campaign against poverty, illiteracy, social injustice, and human misery.

Specifically, its major goals are as follows:

1. To guarantee that the economic growth in each Latin American nation be at least 2½ percent per capita per year—a vast undertaking when we consider the population explosion that is taking place throughout the area.

2. To reform tax systems in the various countries to not only insure needed revenues but also to distribute tax burdens more fairly.

3. To institute programs of agricultural reform for the dual purpose of increasing productivity and of achieving a more equitable distribution of land.

And, finally, to raise the standard of living of the people of Latin America by creating new job opportunities, improving public health, developing low-cost housing, controlling disease, eliminating adult illiteracy, and assuring each child a minimum of 6 years of schooling.

Of paramount importance in achieving these goals is a vitally necessary principle—that of “self-help.” I intend to treat this in more detail later, but I would like to emphasize now that outside help cannot do the job alone. Internal reforms are required as well—reforms that in many cases will mean vast changes in attitudes and ways of life that are centuries old.

A program of such enormous magnitude, importance, and vision as the Alliance for Progress has a major meaning for every American citizen.

In the first place, the program affects an area threatened by international communism—a subject of the deepest and gravest concern to the people of the United States in an area closest to our national security.

Secondly, it involves the expenditures of vast sums of money—and, as I will discuss later, a substantial amount of that money comes from taxes paid by U.S. taxpayers.

Finally, any program which has for its central theme the bringing about of a far-reaching economic and social revolution invariably touches on points of controversy.

But if these highly important aspects of the program make understanding imperative—they also make misconceptions inevitable.

For, ladies and gentlemen, we are dealing here—not with theoretical means to achieve remote ideals—but with urgent problems requiring urgent solutions. And what is at stake is nothing less than the future of Latin America and, indirectly, the future of the entire free world.

What are these misconceptions?

1. The charge that the Alliance for Progress is “just another giveaway program” whose only aim is to “pour more U.S. tax money down the rathole.”

2. The charge that the program is “bogged down” either at the U.S. end or in Latin America or both.

3. The charge that the self-help aspects of the program are a scheme to “rob the rich and give to the poor.”

All three charges are, of course, ridiculous. The truth of the matter is that the Alliance for Progress is not a giveaway program at all. It is a partnership—involving a total expenditure of some \$100 billion—and 80 percent or more of this figure will come from Latin America itself through its essen-

tial self-help part of this mammoth undertaking.

Let's take a look at the other 20 percent.

At the Punta del Este conference last August—it was estimated that Latin America would need at least \$20 billion from outside sources over the next 10 years—that is, a minimum of \$20 billion.

This \$20 billion represents not only public but private funds as well. For one of the most serious needs of Latin America is increased industrialization, much of which can only be supplied through the infusion of foreign risk capital from the United States, Europe, Japan, and other industrialized areas of the world.

Of the public funds involved, most of the money will have to come from the United States. It is true that some of it will be in the form of direct grants and technical assistance, but the bulk of the money (more than 80 percent in fact) will be in the form of long-term loans with little or no interest. Some of these loans will come from our new Agency for International Development; others from such international lending institutions as the Social Development Fund administered by the Inter-American Development Bank and the Export-Import Bank.

So the charge that the Alliance for Progress is just another giveaway program simply doesn't jibe with the facts.

It is well to point out here that investments, grants, technical aid, and loans represent only part of the answer to the problems that plague Latin America.

For imbalances of payments, inflation, economic stagnation, and other indexes are symptoms—not causes.

To get at the heart of these problems, we must go deeper. We must seek the real illness—and we must realize that the cures, if they are to be found, must be effected within the framework of Latin American culture and attitudes. We must remember that North American methods do not necessarily in all circumstances answer Latin American needs.

We must keep in mind, first of all, that Latin America was colonized by the Spanish, the Portuguese, and (in the case of Haiti) the French. By and large, its laws, its institutions, and its traditions are Iberian—not Anglo-Saxon. This central fact has produced basic differences between ourselves and the people of Latin America.

With your permission I would like to read two quotes from prominent Latin Americans which touch on this point. The first is from a speech given a few years ago by Dr. Alberto Lleras Camargo, who is now President of the Republic of Colombia but who at that time was president of the University of the Andes in Colombia.

In speaking of the differences between our peoples, Dr. Lleras maintained that they did not “prevent us from being good friends, good neighbors, and good partners.” In fact, he said, “A polite and, what is more, really friendly acceptance of the fact that we are different—not from sheer caprice, not for the hell of it, not to spite each other—but from deeper and more serious causes, will, if we study these causes, contribute a great deal to the cementing of a good understanding between the peoples of the Americas, since fortunately, there already exists, on these very foundations, a good understanding between the governments.”

The second quote is from Dr. Galo Plaza, the former President of Ecuador, who in discussing the basic difference between the American Revolution and the various wars of independence in Latin America, said, “You in the United States had your war of independence 185 years ago. It was a complete revolution from the President down to the humblest farmer, who participated in the war of independence, participated in the fruits of victory, and achieved complete

change—politically, socially, and economically.

“This did not happen in Latin America. True, we had our revolutions starting about the same time and continuing until 60 years ago. We threw off the yoke of our ‘mother countries’—Spain, Portugal, and France. But our revolutions were incomplete—there was political change, but we merely replaced one set of rulers, foreign style, with another group, domestic style. The rank and file of the people did not participate in these wars of independence and they did not basically share in the victories. Their lot was unchanged—they continued to live in poverty and misery as they had for centuries.

“Thus today, the spirit which is sweeping Latin America is a vast ground swell of sentiment in favor of completing the ‘incomplete revolution’ of many years ago. In plain words, the rank and file of the people want the same economic and social changes which you in the United States have enjoyed for well over a century.”

Needless to say, ladies and gentlemen, the task is a massive one. For under the Alliance for Progress the nations of Latin America hope to accomplish in only 10 years—what more advanced industrial societies have achieved through a century or more of development.

It is, for instance, simple to say that Latin America needs reform—that it needs to change ways of life that, in some cases, are centuries old.

It is something else to say that these changes and reforms must come within a few short years, and, moreover, that they must be accomplished within the existing framework of local democratic institutions.

But I can assure you that a real start has been made, for it was the willingness of the responsible leaders of Latin America to undertake these reforms that has made possible the Alliance for Progress.

It is essential that we understand exactly what is meant by “reform” for, as I have mentioned, there are those who have equated reform with a policy of “robbing the rich and giving to the poor.” Such a policy is, of course, not the exclusive property of Robin Hood. It is also the sterile and empty promise offered by the Communists—a promise that has demagogic appeal when shouted from street corners—but which has failed whenever they tried to put it into practice.

So-called land reform is a good example.

By land reform, the Communists claim they mean taking land from those who have it and giving it to those who don't. What they actually mean is taking land from those who have it and keeping it in the hands of the all-powerful state. The result is usually an unworkable mess—as was indicated recently in the “Communist paradise” of Cuba which is now facing a critical food shortage.

When we talk about land reform, however, we mean something far different. It is true that our definition involves a more equitable distribution of land—an attempt (and a vitally necessary one) to provide the same opportunity for the campesino that was available to our forefathers who homesteaded the American Midwest and West. But we also mean the employment of every tool at our disposal to enable the farmer to increase the productivity of his land as well as to provide the means to move his products to market.

In other words, we mean such key items as the institution of a system of trained “county agents” to teach modern farming methods, the construction of modern irrigation and drainage systems to increase the amount of arable land, the diversification of one-crop economies, the construction of modern food-processing plants and adequate farm-to-market roads, and all the other necessities of a modern agricultural econ-

omy. In short, we mean "agricultural reform" rather than "land reform"—a massive national effort that will not only give small farmers the opportunity to own their own land but, equally important, will also provide the food products which Latin America must have if it is to support an ever-rising, increasingly urban population.

I am often asked if Latin American efforts toward "self-help" reforms are meeting with any success. The answer is, "Yes." Agricultural reform is a case in point.

Venezuela has already resettled 40,000 families on 3 million heretofore unproductive acres. Colombia has just enacted far-reaching agrarian reform legislation. Costa Rica has likewise passed reform measures, and Guatemala has a limited program underway. Bolivia and Mexico are continuing well-established existing programs. Legislation to deal with the problem has been introduced in Chile, Brazil, Peru, and Nicaragua while similar measures are under study in Honduras, Ecuador, and Panama. In El Salvador, farm credit agencies have been established and laws specifying minimum working conditions for farm labor have been passed.

Agricultural reform is, of course, only one of many "self-help" areas. Another is tax reform which involves not only the problem of overhauling tax systems to distribute tax burdens more equitably, but, just as important, the problem of providing modern administrative machinery for the impartial and conscientious collection of existing taxes.

Here again, progress is being made and examples can be found in such countries as Bolivia, Venezuela, Colombia, Peru, Argentina, Costa Rica, Ecuador, Uruguay, Mexico, El Salvador, Nicaragua, Guatemala, and Panama.

It is noteworthy that Bolivia increased its tax collections last year by 30 percent, largely attributable to better administration, and that Brazil has proposed new tax legislation to increase revenues by \$70 million per year, principally from wealthy taxpayers.

Substantial gains are also being recorded in another area: the field of low-cost housing. Housing—or rather the lack of it—is a particular problem in many sections of Latin America—a problem that cuts across urban-rural lines, although the need in urban areas is obviously more critical.

Among the leaders in instituting low-cost housing programs are Venezuela, Colombia, Peru, Costa Rica, El Salvador, Guatemala, Panama, Chile, Brazil, and Nicaragua.

And, finally—and perhaps most important—is the key area of long-range development planning. For without a plan—without an orderly system of pinpointing specific goals and assigning priorities—the impetus of any program can be lost. This is particularly true in a long-range program such as the Alliance for Progress.

Colombia, Bolivia, and Chile have already submitted long-range national plans to the CAS, and Venezuela is expected to submit theirs within the next few days. In addition, Honduras has submitted a short-range plan, and Panama's short-range plan will be presented in the near future. Planning in all other nations is proceeding according to their agreements at Punta del Este.

So the nations of Latin America have made a real start toward instituting needed reforms.

At the same time, the United States is also fulfilling its obligations under the program. In the first year of the Alliance, we have already committed \$1 billion from public funds—\$1,029,576,000 to be exact.

Approximately \$401,599,000 was committed through the Agency for International Development—\$360,604,000 from the U.S. Export-Import Bank—\$129,682,000 from the U.S. Social Progress Trust Fund administered by the Inter-American Development Bank—\$135,795,000 in funds from sales and grants

of surplus commodities in Latin America under the food-for-peace program—and \$1,896,000 from such other sources as the Peace Corps.

I would like to point out that approximately 87 percent of the total figure is in the form of long-term development loans—and only 13 percent is in the form of grants.

So the Alliance for Progress is off to an excellent start. It is most certainly not bogged down in any sense.

But I think that we should continually remind ourselves that the Alliance is a long-range program. To see it through to successful completion will require hard work, dedication, patience, and a healthy measure of good old American "horsesense." For there will be times when the going will be rough—when the headlines will seem discouraging. On these occasions, I urge you to read the small print carefully and I urge you to get the facts. For it is essential that we understand the exact meaning of current happenings in Latin America.

It was four and a half centuries ago that the Conquistadors of Spain came to the New World seeking a dream: El Dorado—the fabled city whose streets were paved with gold and silver and precious stones. For almost a hundred years, they roamed the plains and forests of two continents—they explored rivers and crossed hills and towering ranges—and always El Dorado eluded them. And finally, in the end, they went home to the Old World—their wanderlust sated—their dreams unfulfilled.

But in their wake came other people—insignificant, humble people who tilled the soil and worked the mines and performed the 10,000 small tasks of empire. These people built houses and raised families. Together with the Indians who had been there before them, they hacked plantations and farms from the wilderness; they built roads; they built towns. And the people grew in numbers and the towns spread out across the land until they became mighty cities with great towers thrusting into the sky. Governments rose and fell; leaders were born, ruled, and died. Some of them ruled wisely—and some did not. But the people endured. They endured invasion and revolution—depression and dictatorships—earthquakes and epidemics—fire, floods, and famine until today the people of Latin America are on the threshold of a new era in their long and heroic history. But their dreams of a better life for themselves and for their children are as ancient as the land they live in.

It is our promise—the promise of the Alliance for Progress—that these dreams can and will be translated into reality.

The winds of change are sweeping through Latin America with an irresistible force. President Kennedy has said that "those who make peaceful revolution impossible—make violent revolution inevitable." The leaders of Latin America know this. We know it also. Together we have pledged to assist the people of this hemisphere in achieving their dreams—with our resources, our skills, and our political and moral support.

For we believe that El Dorado can and will be found—not the El Dorado of the Conquistadors—but an El Dorado far more precious: the unconquerable spirit of a free people with hope for the future and unlimited opportunities for themselves and for their children.

Thank you.

SERVING OF CERTAIN ALCOHOLIC BEVERAGES IN SENATE WING OF CAPITOL AND SENATE OFFICE BUILDINGS

Mr. MORSE. Mr. President, I wish to make a very brief comment on the Morse resolution in regard to my proposal to

prohibit the serving of alcoholic liquor in the public rooms of the Senate wing of the Capitol and the Senate Office Buildings. I have told the Senate that I intend to speak on this subject at least once each week. I shall be very brief tonight, because of the lateness of the hour and for the reasons previously announced; but I wish to make this contribution to the subject matter this week.

I introduce my comments by asking unanimous consent to have inserted in the CONGRESSIONAL RECORD a column by Ruth Montgomery, entitled "He's Out To Dry Up Capitol."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HE'S OUT TO DRY UP CAPITOL

(By Ruth Montgomery)

WASHINGTON.—The Senator with whom the other solons would least like to be stranded on a desert isle is probably WAYNE MORSE, of Oregon.

This legislative gadfly has an annoying faculty for stinging his colleagues where it hurts most—in their constituency. Every politician who hopes to stay in Washington must jealously guard the public image he projects back home.

The usually preferred image is that of a sober, God-fearing, home-loving man who is against sin. It goes without saying that the majority of our legislators pass that test without too much difficulty.

MORSE, a maverick who came to Congress as a Republican, but switched parties in midstream, has nevertheless evolved a plot—some call it a diabolical one—to put every Senator of both parties on the political hot seat in this election year.

Early last month, MORSE deliberately took the Senate floor to exorcise the serving of hard liquor on Capitol premises while Majority Leader MIKE MANSFIELD was hosting a cocktail party in the new Senate Reception Room, where President Kennedy was guest of honor.

Teetotaler MORSE self-righteously said he would not knowingly attend such an affair as the Mansfield party, and that if he unwittingly finds himself where liquor is being served on Senate premises, he will immediately leave.

MORSE's speech made a mild flurry because of its embarrassment to MANSFIELD and Kennedy, but most Senators assumed that this would be the end of it. Three days later, however, he introduced a resolution to prohibit the use of the Capitol or Senate Office Buildings for any official or social affairs at which hard liquor is served.

"In my 18 years as a Member of the Senate," he declared, "I have seen public officials destroy themselves by permitting themselves to be victimized by alcoholism."

This firebrand statement did not endear him to his colleagues. Neither did his simultaneous announcement that he will demand a yea-and-nay recorded vote on his resolution "before this session of Congress adjourns."

It would be a brave legislator indeed who, facing an election fight this fall, would go on record as favoring the serving of hard liquor in the Capitol of the U.S.A.

Gleefully aware of this, MORSE has been relentlessly pressing his case.

Along about afternoon quitting time he frequently grabs the Senate floor, and one of his most recent thrusts was this: "If Members of the Senate desire to stage a liquor party they should rent a hotel reception room. They should not desecrate the Capitol Building with booze parties. They should not 'mooch with their hooch' in the public rooms of the Capitol and the Senate Office Buildings."

The funny thing about it is that MORSE is probably right. It is rather disturbing to many of us who are not teetotalers, to see lobbyists and private interests picking up the tab for gala cocktail parties in the hallowed Halls of Congress.

Mr. MORSE. Mr. President, I am always grateful whenever any kind word appears in newspaper print about the senior Senator from Oregon, and I particularly appreciate the very able and effective support Miss Montgomery gives to my resolution. Her article will speak for itself, but each week, as I discuss this subject matter, I shall endeavor to point to the mounting support of my resolution that is arising throughout the country as more and more people become familiar with the resolution and its purposes.

Last week the bishops of the Methodist Church of the United States held a conference in Mexico City, where this resolution was the subject of considerable favorable discussion, which resulted in unanimity of action on the part of the Methodist bishops in support of the resolution of the senior Senator from Oregon.

I have told the Senate heretofore, but I repeat it tonight, that, I care not what religious group one chooses to put the resolution before, it will receive approval. I would be perfectly willing to venture the prediction that, no matter what group the resolution is brought before, consisting of persons who are not teetotalers, my resolution would receive favorable support.

Mr. President, it is surprising how many persons who do not share the views of the senior Senator from Oregon in regard to his habits of teetotalism have come to him and said, "Senator, I completely agree with you that the alcoholic beverage covered by your resolution should not be served at any function in the public rooms of the Senate wing of the Capitol or the Senate Office Buildings."

My reasons are pretty well known, but I would be less than honest with the Senate if I did not confess a little hurt feeling in my speech tonight when I say I do not know why so much time is being taken by the Rules Committee in reporting my resolution to the Senate, either favorably or unfavorably, or with no recommendation.

I do not think it is quite cricket to "bottle up"—and I use the word "bottle" in quotation marks—my resolution. I know that my resolution is strong stuff. It is strong stuff in support of high morality in public affairs of the Senate of the United States, and I would like to have my colleagues join me in drinking from it. That is the kind of stimulation I would like to give my colleagues.

If I can get the resolution to the floor of the Senate and obtain a yea-and-nay vote, I have no doubt what the vote will be. Although I am jocular about it, I am also dead serious. A legislative principle is involved. There is no question of the fact that the overwhelming majority of the taxpayers of this country would will that my resolution be passed. If I am correct, at least the representatives of those taxpayers ought

to have an opportunity to vote on the resolution, and then let the constituents be the judges of the vote.

I think I ought to get the opportunity to have the resolution voted upon in the Senate. I am very patient. I do not want ever to have any reason to believe that the Rules Committee of the Senate, which is presided over by one of the most beloved Members of the Senate, is not letting my resolution out. Whatever the reasons or motivation may be, I hope I never have to come to that feeling or conclusion.

If that line should be drawn, and if I should have to exercise whatever rights I have under the rules to try to persuade, through parliamentary procedure, a consideration of my resolution, I shall not hesitate to do so. But I do not think we should be put in that position.

So, as I leave the floor of the Senate, to return not until next Monday—God willing—I leave with the respectful request directed to every member of the Rules Committee to let the resolution be reported. Let it be put on the calendar, and let the democratic process of the Senate work its will on the resolution. I am perfectly willing to abide by the result. I am satisfied that, on a rollcall, the Senate will overwhelmingly strike a blow in support of the high principles of morality contained in that resolution.

PROPOSED WITHHOLDING TAX ON DIVIDENDS AND INTEREST

Mr. DOUGLAS. Mr. President, about 10 days ago I reported that I had received about 30,000 letters from constituents in Illinois protesting against the proposed withholding tax on dividends and interest. Toward the end of last week, I reported that the number had risen to 40,000. More mail has been pouring in this week on the same subject. We now estimate that the total number of letters received is over 50,000.

We have analyzed these letters very carefully. I am happy to say my office has replied to 40,000 letters. I pay tribute to the members of my staff for the extraordinary work which they have done.

The letters betray such a misconception of the nature of the withholding tax that I have been compelled from time to time to take the floor of the Senate to try to clear up some of the confusion.

It is apparent that the building and loan associations of this country, which I have always in general supported, have been giving rise to a great deal of this correspondence, and also that the savings institutions have been doing likewise. There is such a wide degree of misunderstanding that at times we seem to be trying to clean up an ocean of misconceptions with a mop.

The circulation of the CONGRESSIONAL RECORD is between 40,000 and 50,000, I understand, but the RECORD is read by opinionmakers and therefore has an influence out of all proportion to its actual circulation. This is why from time to time I have tried to correct misconceptions. I rise again in the same effort.

There are at least five principal areas of confusion which I wish to label, and then to discuss in more detail.

The first and most common misconception is that the withholding provision is mistakenly considered to be a new tax. It is not a new tax. Dividends and interest have always been subject to tax exactly the same as wages and salaries. Both are forms of income. The only difference between the two is that the basic tax on wages and salaries is withheld at the source. As a result, taxes are paid on virtually all wages and salaries received, except for the exemptions provided under the law. There is virtually no evasion and very little avoidance of the tax on wages and salaries.

Unfortunately, there is a great deal of evasion and avoidance so far as taxes on dividends and interest are concerned, because the taxes are not collected at the source. Dividends and interest are required to be declared by the recipient, but the records indicate that of the approximately \$20 billion distributed in dividends and interest approximately \$4 billion is not reported and hence escapes taxation.

The earlier estimate of the Treasury Department, that the amount which was not reported was approximately \$3½ billion, was based on income figures for 1959. In the past few days the Treasury Department has based its estimate on the income figures for 1960, and the Department now estimates, most conservatively, that \$4 billion of dividends and interest are not reported and escape taxation.

It is estimated that the amount of taxes thus lost is approximately \$1 billion a year.

I emphasize again that the proposed withholding provision is not a new tax. It is merely a better means of collecting an existing tax. It is believed that the imposition of the tax at the source would increase Government revenues by at least \$850 million a year. Because the billion dollars in taxes due is not being paid, the burden upon taxpayers who pay their taxes is correspondingly heavier.

It is the program of the administration to distribute in tax reductions the amounts collected by plugging tax loopholes. If the withholding provision is defeated, the amount to be collected by plugging tax loopholes will be very small, and consequently the benefits to be distributed to others will be almost infinitesimal.

That is the first misconception which needs to be removed.

The second misconception is that the withholding provision is frequently pictured as a tax on savings, which it is not, as distinct from a tax on interest and dividends.

A great many people say, "I have a thousand dollars in a savings account. Are you going to take \$200 of this amount?" They think perhaps there is to be an assessment upon the principal. Of course, there is not to be an assessment upon the principal, but, instead, an assessment upon the income. If we

assume a rate of interest of 4 percent, the income would be \$40 instead of \$1,000. Even if the entire \$40 were taxable, the tax would be only \$8. Of course, there are exemptions. There is an exemption of \$600 a person; and there is a double exemption for those over the age of 65, or \$1,200 a person.

The exemption would be \$2,400 for an aged couple. There are other exemptions as well.

I wish to emphasize, in the second place, this is a tax on income from interest and dividends, and not a tax on savings or principal.

The third misconception is that it is frequently believed that withholding at the source would impose burdens on elderly people who receive dividends and interest, which it would not. This point is developed at greater length in a letter from the Secretary of the Treasury which I shall later ask to have printed in the RECORD.

A fourth misconception is that a person who owes no tax will nevertheless have a portion of his bank and savings bond interest as well as dividends withheld. If a person owes no tax, he will pay no tax, and there will be no withholding. The claim for exemption will be filed at the beginning of the year, and the red tape will be cut to a minimum with respect to having the exemption continue.

A fifth misconception is that when overwithholding occurs, the taxpayer must wait, it is commonly believed, until the end of the year for his refund. This is true in the case of overwithholding on wages and salaries. Persons who receive wages and salaries must wait until the end of the year for a refund. There are 37 million refunds a year for overwithholding on wages and salaries. These refunds are processed very quickly, within less than a month.

The administration would give to the recipients of dividends and interest a privilege not accorded to the recipients of wages and salaries. In the case of those receiving dividends and interest, the refund would be made quarterly if there were overwithholding. The refund could be expedited, and paid in about 3 weeks.

It is estimated that there will be about 2.2 million such cases. If the Internal Revenue Service and the Treasury Department can make 37 million refunds in respect to overwithholding on wages and salaries within less than a month, certainly they should be able to make 2.2 million refunds with respect to overwithholding on dividends and interest within a comparable period of time.

In this connection, the quarterly periods of payment under the income tax provisions roughly correspond with the quarterly periods of payments of dividends and interest, so there would be little loss of time within a quarter because of the crediting of dividends and interest prior to the quarterly period outlined under the income tax provisions.

The very able Secretary of the Treasury, Mr. Douglas Dillon, prepared

a letter on this subject which covers these points and others in a very effective fashion. I ask unanimous consent that the letter be printed in the RECORD. Although the letter was prepared on the basis of the 1960 income figures, the Treasury has revised upward its estimate of interest and dividends which are not now reported, to a minimum of \$4 billion and possibly more than \$4 billion, and estimates that the amount of taxes lost on the dividends and interest thus not reported is approximately \$1 billion a year, and will be even more in the years to come.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

**WITHHOLDING ON DIVIDENDS AND INTEREST—
A NECESSARY AND FAIR PROPOSAL**

Most taxpayers pay their income taxes but millions do not. Withholding of taxes on interest and dividend payments is essential as a matter of simple fairness and necessary to put a stop to this widespread tax evasion.

Far from hurting the average taxpayer, withholding will help him by insuring that the Government collects most of the \$800 million in taxes on interest and dividends which are now being evaded each year—lost taxes which have to be made up by heavier taxes on honest and conscientious people.

There is no reason why those who receive all or part of their income from interest and dividends should not have their taxes withheld—as wage and salary earners have been for 20 years.

The withholding proposal has been grossly misrepresented and distorted by those who have their own selfish reasons for wishing to see it defeated. They have fostered widespread misunderstanding of the plan and aroused baseless fears.

These misconceptions deserve to be cleared up.

This is not a new tax. Withholding is merely a method of collecting taxes which are owed the Government but—because of ignorance or intentional deceit—are not now being paid. Dividends and interest are income and, as such, have always been subject to income tax.

Withholding will impose no hardship and little inconvenience on taxpayers. People who have such low incomes that they do not owe any taxes can easily prevent withholding by signing a simple form certifying that fact. Those under 18 can be exempted from withholding whether or not they owe any tax.

Elderly couples, widows and others who may owe a little tax but less than the amount withheld, can get quarterly refunds by filling out a simple refund slip which will be available at banks, post offices and other places. These refund slips can be filed at any time during a quarter after withholding has taken place. It is not necessary to wait until the end of the quarter. Internal Revenue will mail out quarterly reminders to refund claimants. The refunds will, in most cases, be received within a month—as they are now by the 37 million taxpayers who are overwithheld each year on their wages and salaries. Those who don't wish to bother with quarterly refunds will get them annually by filing their regular tax returns.

Withholding has been erroneously represented as imposing a hardship on indigent elderly couples. Under the present law, which gives people over 65 a double exemption and also a tax credit on retirement income, an elderly couple could have as much as \$5,377 in income each year from social se-

curity and interest and be liable to no tax—and no withholding—at all. If part of their income is from dividends, the total income could be even higher. To have this income, completely free of taxes or withholding, the couple would be receiving the maximum social security benefit of \$2,178 and interest income of \$3,199. This couple, which would avoid withholding entirely, would need about \$80,000 in savings deposits, earning 4 percent, to receive \$3,199 in interest.

An elderly couple with full social security benefits and \$1,000 more than this in interest income—\$4,199 a year—would, however, fall into the much-discussed overwithheld category. Their savings deposits would have to total about \$105,000. The withholding each quarter would be \$210—\$160 more than necessary. Under the quarterly refund procedure, the couple would never be out of pocket more than \$160, which is the first quarter's overwithholding. The quarterly refund from the first quarter would offset the overwithholding in the second quarter and so on indefinitely. This \$160 would earn only about \$6 for an entire year if left in their savings account at 4 percent.

How can anyone say this is hardship? Such a couple is well-to-do by almost anyone's standards—and there are very few such couples. Most elderly people would not be subject to withholding at all.

The amounts overwithheld generally will not be large. For more than half the people entitled to refunds, the amount overwithheld will be less than \$10 per year. The average refund of overwithheld wages and salaries, in contrast, is \$143—and wage and salary earners can collect their refunds only at the end of the year.

Withholding is necessary. A total of nearly \$4 billion in dividends and interest—nearly 20 percent of the total—goes unreported on tax returns each year. Publicity campaigns aimed at increasing voluntary reporting have simply not worked. Internal Revenue has no way of checking many evasions, especially on interest payments, because only the large ones—\$600 or more—have to be reported by the payors to the Government.

Withholding will pay for itself many times over. The estimated administrative cost of the withholding system is \$19 million per year but \$650 million in presently evaded taxes will be collected. Use of withholding to eliminate the many small and frequently unintentional evasions will free Internal Revenue agents to pursue the upper income bracket evasions which account for the difference between the \$800 million in tax receipts now being lost and the \$650 million withholding will bring in. These well-to-do evaders will, of course, be withheld 20 percent like everyone else—but they owe more than that.

Use of ADP, the suggested alternative to withholding, would cost more to do one-third of the job. Automatic data processing does not collect one penny in taxes. All it does is identify suspected tax evaders, who then have to be located and audited. Following up and auditing all evaders turned up by ADP would be literally impossible—there are 6 million taxpayers who have interest and dividend income and don't report any of it. At least an equal number—maybe more—report some, but not all, of their dividend and interest income. Just to follow up the biggest evaders, to recover \$200 million in taxes, would cost the Government \$29 million—half again the price of a withholding system that would collect more than three times that amount. The maximum additional tax that the Internal Revenue Service could collect effectively with ADP and a reasonable enforcement effort is \$200 million. And even to accomplish only the \$200

million increase in tax receipts would require an increase of over 3,000 in Internal Revenue's enforcement staff—a 55 percent jump in the number of office auditors presently employed and a 10 percent rise in the number of agents. In addition, use of ADP and enforcement personnel followups would require that business organizations make much more detailed and numerous reports to Internal Revenue than they do now—or would have to do under withholding. In addition, there is no ADP system fully in operation as of now—and won't be until 1966.

The system will be simple and convenient for payers of interest and dividends. They will make their payments of withheld taxes to the Government in one lump sum quarterly. They will not be required to keep detailed records of individuals to whom they make dividend and interest payments. In addition, they will be permitted to retain use of the withheld taxes for certain specified periods before they are turned over to the Government—a provision which will help offset the cost of withholding.

Withholding may involve some inconveniences, it is true. But the alternative is clear—continued lawless evasion of \$800 million worth of taxes each year on nearly \$4 billion of unreported interest and dividend income.

Honest taxpayers will support this proposal in justice to themselves and all others who now pay their full share of taxes.

AMENDMENT OF THE AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

Mr. HRUSKA. Mr. President, on behalf of the Senator from South Dakota [Mr. MUNDT], I ask unanimous consent that the amendment offered by him numbered "5-15-62-A" be amended by changing the period in line 11, insert a semicolon, and adding: "or until the President has exerted bona fide efforts to negotiate such agreements as to those commodities and has failed therein; or makes a finding that imports of such commodities do not seriously affect domestic producers."

The ACTING PRESIDENT pro tempore. The amendment, as modified, will be received, printed, and lie on the table.

FINAL RESULTS OF THE FARM POLICY POLL

Mr. HRUSKA. Mr. President, on March 15, the Senator from Nebraska reported to the Senate the results of a poll taken by the Farm Journal on the kind of agriculture program America's farmers really want.

At that time, 10,000 ballots had been tabulated and the results were that 4 percent of those voting favored a program of compulsory quotas, 44 percent wanted a land retirement program and 52 percent wanted the Government "clear out" of farming.

Now, the Farm Journal has finished tabulating more than 64,000 ballots and the results remain surprisingly consistent with those at the 10,000-ballot level. Four percent still favor the compulsory program, 43 percent want land retire-

ment and 53 percent want the Government "out."

Mr. President, this information was sent to me recently by Mr. Carroll Streetter, editor of the Farm Journal. I ask unanimous consent that his letter, together with a memorandum explaining the final results of this annual poll, be printed at this point in the RECORD.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

MAY 1, 1962.

HON. ROMAN L. HRUSKA,
Senate Office Building,
Washington, D.C.

DEAR SIR: About 2 months ago we were able to send you advance results of the tabulation of 10,000 ballots received in Farm Journal's mail poll on farm policy. In the April issue of Farm Journal we carried the results in a feature article which went to our 3 million subscribers.

We've been counting votes ever since. We think that the response is practically all in by now and in the June issue of Farm Journal (which will be out in the country about May 21) we will report the final result. This will be compiled from no less than 64,560 ballots—truly an amazing response from the country.

Again we want to send you the report in advance, for we know that Congress is faced right now with some important decisions on farm policy questions. Enclosed you will find a memorandum which Claude Gifford, our farm policy editor, prepared for our own staff. This not only gives you the final results but some sidelights which you may find interesting.

Sincerely,

CARROLL P. STREETTER,
Editor, Farm Journal.

FARM JOURNAL MEMORANDUM

(By G. W. Gifford)

The most successful farm poll that we have ever conducted is now completed. Readers sent in more than 65,000 ballots in response to the article in the March issue. We tabulated 64,560 good ballots where the reader's vote was clearly indicated (some marked 2 choices, some forgot to mark any).

The vote that we printed in the April issue (the results from the 10,000) and the final vote are:

[Percent]

	10,000 reported in the April issue	Final tally of 64,560 ballots
Compulsory quotas.....	4	4
Land retirement.....	44	43
Government clear out.....	52	53

This is a remarkably close agreement between the results at the 10,000 level and the final tally, particularly when you compare the methods that we used on the two.

Our situation was this: We wanted to report the vote in the April issue, the first issue after the ballot appeared. We estimated that we could rustle up the manpower to open, sort by State, commodity, and age; and tabulate 10,000 ballots in time to carry the followup in the April issue. We couldn't take the first 10,000 ballots that came in and get a representative nationwide vote, since the ballots came back to us in direct relationship to the States and areas that received the issue first. So we allotted each State its share of the 10,000 ballots in proportion to its share of our 3-million-plus circulation, then took the first ballots we came across to fill each State's share. However, we took

only ballots where the voter indicated that he had a main crop or kind of livestock that was important to his income. This assured us that we had ballots from actual farmers.

It took some doing to tabulate those 10,000 ballots. Altogether, 27 Farm Journal people spent 750 man-hours opening, sorting, and counting those 10,000 ballots.

As you'll recall, we received 50,000 ballots the first 2 weeks. This is a tremendous response. It indicates the responsiveness of Farm Journal readers; the interest that they had in the subject; the clear choices in the ballot; the readers' gratitude for an opportunity to express their own opinions and their faith in Farm Journal. Many readers sent their replies by airmail, so eager were they to "be counted." Altogether, the readers spent well over \$2,600 on postage alone.

The amazing response to this ballot showed in other ways. Newspapers in several States reprinted the ballot—one even used a local byline on the article and reprinted the material word for word. Farm groups held mass meetings and sent us the results in the form of signatures, as in a petition. Vocational agriculture teachers reproduced the ballots and held votes in night school. People wrote in for extra ballots. Some complained that "friends" had taken their ballots, and they either wanted another one or sent a letter telling us how they wanted to vote. (We counted only ballots that were clipped from Farm Journal.)

And a great number wrote letters. Some sent carbon copies of the letters to their Congressman; even to the President. Others asked us to forward their vote to Washington, D.C. A great many thanked Farm Journal for giving them a chance to register their opinions; others praised us for "going to farmers themselves" for their views. Some printed in large letters at the heading of their message: "Please Read." Some wrote, "You'll probably never read this, but here's how I feel." By the way, we're reading every letter, and answering those where it is appropriate, including those who say, "You'll probably never read this."

One farmer demanded that we reprint his letter, and all of it, not just part of it. He wrote at some length—several times more copy than we ran in the March article itself. We wrote and told him that we simply couldn't reprint his entire letter since it was longer than our feature articles.

A 36-year-old Indiana farmer wrote: "Here and now I want to say congratulations and thank you. Please keep encouraging every farmer to voice his opinion." There were hundreds of letters like this.

RECESS UNTIL 11 O'CLOCK TOMORROW

Mr. DOUGLAS. Mr. President, I move, pursuant to the order previously entered, that the Senate take a recess until 11 o'clock a.m., tomorrow.

The motion was agreed to; and (at 7 o'clock and 33 minutes p.m.) the Senate took a recess under the order previously entered, until tomorrow, Thursday, May 17, 1962, at 11 o'clock a.m.

NOMINATION

Executive nomination received by the Senate May 16, 1962:

U.S. ATTORNEY

Drew J. T. O'Keefe, of Pennsylvania, to be U.S. attorney for the eastern district of Pennsylvania for the term of 4 years, vice Joseph S. Lord III, resigned.